

We have not been successful today, despite the best effort of Chairman LOTT, Senator GRASSLEY, and others. But we will be back. This practice is continuing to increase. Even when I came to the Senate, I found it used frequently but not to the extent it is being used today. It is time to do the public's business in public. We will stay at this effort to accomplish just that.

I yield the floor.

Mr. GRASSLEY. Mr. President, I rise in support of the resolution to end secret holds in the Senate. Senator WYDEN and I have worked long and hard on this issue and it is time for the Senate to act decisively to reject the practice of placing anonymous holds.

A hold, which allows a single Senator to prevent a bill or nomination from coming to the floor, is a very powerful tool. Holds are a function of the rules and traditions of the Senate and they can be used for legitimate purposes. However, I believe in the principle of open government. Lack of transparency in the public policy process leads to cynicism and distrust of public officials. I would maintain that the use of secret holds damages public confidence in the institution of the Senate.

Our resolution would establish a standing order for the remainder of this Congress that holds must be disclosed publicly. For my colleagues who might be apprehensive of this change in doing business, I would point out that this measure would only be in effect for the current Congress and would not formally amend the Senate rules. Nevertheless, a standing order has essentially the same force and effect in practice as a Senate rule. I have no doubt that, once instituted, this reform will be found to be sound and no reason will be found why it shouldn't be renewed in subsequent Congresses.

For several years now, I have made it my practice to publicly disclose any hold I place in the CONGRESSIONAL RECORD, along with a short explanation. It's quick, easy and painless, I assure my colleagues. Our proposed standing order would provide for a simple form to fill out, like adding a cosponsor to a bill. The hold will then be published in the CONGRESSIONAL RECORD and the Senate calendar. It is as simple as that.

I am very pleased to have the support of Chairman LOTT and Senator BYRD on this initiative to require public disclosure of holds. Earlier this year, Chairman LOTT held a hearing in the Rules Committee on the Grassley-Wyden resolution to require disclosure of holds. Since that time, my staff has worked together with staff members for Senators WYDEN, LOTT, and BYRD to come up with what I think is a very well thought out proposal to require public disclosure of holds on legislation or nominations in the Senate. I think it says a lot that this proposal was written with the help and support of Senator LOTT and Senator BYRD. As the chairman of the Rules Committee and

a former majority leader, Senator LOTT brings valuable perspective and experience. It is also a great honor to be able to work on this issue with Senator BYRD, who is also a former majority leader and an expert on Senate rules and procedure.

I am disappointed that we cannot move forward with this resolution now, but I would urge my colleagues to join the growing coalition of Senators who are working to shed some sunlight on some of the most shadowy parts of this body so that we can ensure open and honest debate on the issues before the American people. I believe that the more we talk about secret holds, the more the consensus grows that this is an issue that must ultimately be addressed by the full Senate. You can be assured that we will keep pushing forward until that happens.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 15 minutes.

#### ENERGY POLICY ACT OF 2003— CONFERENCE REPORT—Continued

Mr. SUNUNU. Mr. President, I rise to add my voice to the very spirited debate we have had about the Energy bill. A number of Members have come to the floor to talk about specific provisions—the concern for the liability waiver for MTBE, in particular.

I want to step back and talk about the bigger picture—about the financial health of our country and the impact that this Energy bill, given its enormous size, will have on the long-term health of our budget, as well as our economy.

During the budget debates, we hear a great deal about fiscal responsibility. People love to talk about fiscal responsibility in the abstract. When you are looking out 10 years and are talking about surpluses or deficits, or more broadly about revenues or spending, it is all about fiscal responsibility. But they don't like to talk about it as much when we have a specific piece of legislation on the Senate floor, as we have now, that will draw from the Federal Treasury and start spending that money in a way that I don't think is very well thought out. I certainly don't think it will have a very positive effect on our economy.

In particular, if we look at the Energy bill and its scope and size, it not only breaks the budget that was agreed to just 6 months ago, it not only violates the budget once or twice or three times, it is in violation of the Budget Act in four different ways. In fact, in one area in particular, on spending, it violates the Budget Act three different times. A point of order, as has been indicated by the budget chairman himself, lies against this bill. It violates the budget caps, busts the budget by over \$800 million next year alone, by more than \$3.4 billion over the next 5 years, and by \$4.3 billion over a 10-year period. It breaks the budget cap, breaks the budget agreement, and vio-

lates the Budget Act. That is a lot of money—800 million dollars, \$3.4 billion, and \$4.3 billion over the next 10 years.

I think at a certain point we have to draw the line. We have to say energy is important to the country, markets are important to the country, competitiveness is important to the country, but we can achieve these things without violating the budget agreement that was just put into place several months ago.

The bill includes new mandatory spending, which is effectively on automatic pilot, where once the bill is signed into law, the spending will take place automatically, without appropriations and without any new legislation passed. So it is \$3.7 billion in mandatory spending over the next 5 years, \$5.4 billion in new mandatory spending over the next 10 years. In addition to that, we have all the authorized spending in the bill—over \$70 billion in spending is authorized over the next 10 years.

Looking at the authorization language, the different programs—dozens and dozens of different programs—total over \$70 billion. These programs are effectively picking and choosing among different ideas and innovations and areas of the energy industry, picking winners and losers among the different competing forces. That is where we need to be very careful about the impact a bill like this would have. Why should any legislator, or bureaucrat, for that matter, be trying to pick the winning or the losing energy technology or innovation 5 or 10 years out into the future? We are not experts in this area. We are not scientists. We don't dedicate our lives to understanding the nuances of new energy technology. We certainly should not be writing legislation that picks those winners and losers in the marketplace.

If you read through—just to touch on a few to get a sense of what I am talking about—\$250 million is in the bill for photovoltaic energy commercialization, the use of photovoltaic energy in public buildings. Photovoltaics is an interesting technology, perhaps a promising one. But to spend \$250 million to try to commercialize this in public buildings suggests that we know, as Senators, that this is the right energy source to use in public buildings for the foreseeable future.

Why not let the market compete? Why not let investors step forward to build or renovate or improve public buildings, to use energy more efficiently in public buildings, pick the best contractor, the best product, the product which delivers the best value for the public? Why do we have to spend \$250 million biasing the marketplace? There is \$125 million for a coal technology loan. It turns out this particular one will actually go to convert a clean coal technology plant into a traditional coal-fired generation plant.

Elsewhere in the bill, we have a couple of billion dollars to subsidize the clean coal technology industry. So this

is a case where maybe we are just not sure what the winner is going to be, and we are trying to hedge our bets. There is nearly \$100 million in the bill for the reduction of engineizing heavy-duty vehicles; reduce the amount of heavy-duty vehicles' idle—I suppose in traffic, or sitting at the truck stop, or wherever else it might be. Energy efficiency in heavy-duty trucks is a great idea. Somebody tells me that those who build, manufacture, and own and operate heavy-duty trucks have a financial incentive not to waste the diesel fuel they use to drive the trucks all over the country. I don't think they need a subsidy of \$100 million for us to do the job that they ought to be doing to make themselves more competitive and ultimately earn more money in the marketplace.

Engine testing program, \$25 million. Why should we be subsidizing the testing of commercial engines that companies or industries use to operate and earn a good living, as they should?

Here is another very interesting one. The next generation of lighting initiative; \$250 million for the next generation of lighting. We have next generation Internet. I am still not sure why we put a billion dollars or \$2 billion into that. The Internet is probably the one area of our economy that has attracted more capital faster than any other idea in our history. Why the Federal Government should be subsidizing that, I don't know. Why we should be subsidizing new lighting technologies, I certainly don't know. There are wonderful companies that make great lighting products, such as halogen lights, neon lights. I could name a few companies, but I am sure I will leave some out.

When we go to the Home Depot to buy lighting products or to the local hardware store or COSTCO and buy lighting products, we know who the competitors are. Why does the Federal Government need to spend \$250 million to help develop better or newer lighting?

Somebody might say we are working on more efficient lighting. If you build a better light bulb that is less expensive to use and/or less expensive to sell, I bet customers will recognize that value. It is a mature industry, a well-understood industry. You don't need a Ph.D. to understand why you would use a light bulb, how you use one, how much it costs, and what the value is. That is the classic example of an industry that certainly doesn't need a taxpayer subsidy.

Let's recognize that all of this spending—\$250 million for lighting, \$125 million for a coal loan, \$2 billion for MTBE producers—is not money just being printed out in a back room somewhere. These are dollars that we are collecting from working families, men and women who work very hard. We collect their Federal taxes and we have an obligation to be fiscally responsible and to do a thoughtful job in the way this money is spent in Washington.

We have new mandatory spending, we have authorized spending, and then we get to the tax subsidies, some \$25 billion. The President recommended only \$8 billion. The Senate recommended \$18 billion. It comes out of conference with the House and Senate at nearly \$25 billion in tax subsidies, loan guarantees for diesel fuel plants, loan guarantees for three new coal plants. A loan guarantee to build any of these new plants effectively puts the taxpayer on the hook for all, or a very significant part, of that facility.

Again, I think the coal industry is a terrific industry, and also the oil and gas industry, electricity generation, wind power, hydropower, solar power. What we ought to be working toward, however, is a level playing field where these competing ideas and competing technologies can provide electricity, can provide power, can provide energy so consumers and investors can make good decisions about where to put their money and which one of these competing technologies to buy.

There are certainly some good provisions in this legislation. I think the electricity title takes important steps. I support repeal of the Public Utility Holding Company Act. We have better reliability standards in this legislation for our electric grid. We have regulatory reform which I think is important for building out the electric infrastructure and avoiding future crises, shortages, or blackouts. But we can do all of these things without busting the budget. We can do all of these things without violating the Budget Act. We can do all of these things without coming back with a bill that has three times the tax subsidies the President proposed.

Like so many Energy bills I have seen in my short time working in Congress, this bill is full of some very grandiose pipedreams. One of my favorites is the hydrogen car—\$2 billion for the hydrogen car. We are just coming off a \$2 billion bender known as the Partnership for the Next Generation Vehicle. Mr. President, \$2 billion of taxpayers' money was spent to try to develop an electric car that was going to be a hybrid electric car, a hybrid combustion engine and, at the end of the day, it was a failure—\$2 billion later. It had no material impact on the delivery of more energy efficient vehicles into the marketplace.

Someone somewhere suddenly decided: It turns out the car of the future is not an electric car, the car of the future is really a hydrogen car. We must have gotten that whole electric car thing wrong. Forget about that Partnership for the Next Generation Vehicle; it is really the hydrogen car, and we only need \$2 billion to do it.

I don't know if hydrogen is going to propel vehicles in the future. It would be terrific if it did. I think the right way to get the answer is to let the marketplace decide, to let competing technologies and ideas in the marketplace decide; put those ideas out, at-

tract capital, attract investment, do the research and development, and, believe me, if somebody develops a cost-competitive electric car, let alone a hydrogen car, they are going to make a lot of money because there is a demand for that in the marketplace.

People are willing to pay for a cheaper vehicle. People are willing to support initiatives that not only fulfill the needs in their daily lives traveling around but also help keep our environment a little cleaner by reducing emissions.

We have coal gasification, at \$1 billion or so—nearly \$1 billion for a coal gasification initiative. Twenty years ago, it was all about synthetic oil. That was clearly going to be the energy of the future—the fossil fuel energy at least. I guess we must have gotten that one wrong because we spent \$4 billion, \$5 billion on that, and it turns out it is really not cost competitive. So we are going to go with coal gasification. Maybe that is what we meant to say or we learned a little bit since then.

Now we can see the future much more clearly, and we are going to start out with a little bit less than \$1 billion, but you can be assured that over time it is going to be a lot more than that.

These are pipedreams. These are important visions for scientists or technologists to have, and we want them to put some funding or risk some capital for these ideas. The question isn't whether they are interesting ideas or whether they are even worthy of investment but whether they are worthy of taking Federal money, taxpayer money, and putting that money at risk in a marketplace that should be able to stand on its own, compete on a level playing field, and continue to deliver the innovation and technology of which I think most Americans would and should be very proud.

We can do a lot better than this bill. We can do better than a bill that busts the budget. We can do better than a bill that has a \$25 billion grab bag of tax subsidies that distort the marketplace of ideas and the marketplace of capital. We can do better in terms of legislation that should be promoting a very competitive environment and, therefore, a stronger, more robust economy, but instead, in distorting the marketplace, I think we will do great damage to our economy.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SUNUNU. I ask unanimous consent for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SUNUNU. Mr. President, we can do better than this legislation. Frankly, we need to do better than this legislation because if we don't, I am afraid if we adopt this conference report, this will become the standard method of operation, the standard way we approach science, technology, and energy: That

we get together in a room in a conference or in a committee, and we sit down as Senators and we try to pick the winners and the losers; that we distribute subsidies in the way of spending or we distribute—in some ways this is even worse—subsidies in the way of added complexity to the Tax Code. Instead of ending up with an economy that is robust, an economy that is the envy of the world, an economy that encourages new ideas and innovation, we end up with some sort of variant of what has already been defeated in the Eastern European countries and in the former Soviet Union—a manipulated government-subsidized enterprise or government-run economy where bureaucrats or elected officials try to pull the strings, but to no avail, degrading the economy, making it less efficient, making it less robust, and not discovering those very entrepreneurs we know are the heart and soul of the prosperity we enjoy.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that following the statement of Senator KYL, Senator GRAHAM of Florida be recognized for 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I rise to join many of my colleagues in strongly opposing this Energy bill. The opposition is not reserved to only Democrats; the opposition is for those people who think about the implications of this bill and the serious concerns it raises.

For one thing, it is terribly lopsided. It is out of balance. It is heavily weighted toward the industry because it was written by just a few select individuals with almost no conference input by Democrats.

The bill is an embarrassing example of the public's worst fears about Washington power politics, and those power sources are the oil and gas lobbyists downtown. Though it is called the Energy Policy Act of 2003, this bill promotes the outdated policies of a generation ago. It should be called actually the Energy Policy Act of 1903. The policy here is simple: Drill for oil, drill for natural gas, dig for coal.

While the country needs oil, natural gas, and coal, we also need leaders with a vision to promote clean sources of energy that won't harm the health of our children, our grandchildren, and future generations. It is the 21st century, and we have the technology to do better.

According to the Congressional Research Service, between 1948 and 1998 the Federal Government subsidized the energy industry by well over \$100 billion. Unfortunately, less than \$1 in \$10 was used to promote renewable energy, that which you can find relatively easily and without the pollution that our present energy sources convey to the public.

Now, in this single bill, we are being asked to spend another \$50 billion to

\$100 billion on tax credits and loan guarantees to the oil, gas, and nuclear industries. How will all of those taxpayer dollars be spent? They will be spent on a long list of brazen giveaways to polluting uranium companies, Archer Daniels Midland, to MTBE producers, and for a smattering of goodies and pet projects.

Taking care of special interests has become a hallmark of this Congress. Peter Jennings highlighted it in a perfect example on the evening news the other night. He reported that taxpayers have so far contributed \$1.3 billion to subsidize wealthy individuals who buy the biggest gas guzzlers sold in America. As he pointed out, one couple received \$17,000 in tax breaks on their new SUV and boast: "We have decided to take two extra vacations this year with the money we saved." But for the energy they used, they pose a whole different kind of issue.

Why is the answer around here always to hand over cash to rich people and successful companies? Can we really justify turning over the hard-earned tax dollars of Americans, who do not earn enough to benefit much from the Bush tax cuts, to companies flush with cash?

Here is an issue that was announced August 1, 2003: "Chevron Quadruples Profits." It goes on to say:

Oil giant Chevron Texaco increased quarterly profits four times to \$1.6 billion.

Their revenues soared to \$29 billion in the quarter. Do these companies really sound as if they need Government subsidies to do their job? Not to me.

We have the perfect opportunity to guide the country toward clean, renewable energy. Yet most of the bill's tax credits for efficiency and renewables last only 2 or 3 years. Any business person knows this is not a sufficient time period to encourage significant investments and technology development.

We Americans have always set ourselves apart by our ingenuity and creativity. Today, amid an avalanche of promising scientific discoveries in the field of energy, the majority can see no further than the lobbyists' interests which this bill follows to the letter.

Recently, I read that in Amsterdam, a major European chip manufacturer has discovered a new way to produce solar cells that will generate electricity 20 times cheaper than today's solar panels. ST-Microelectronics, Europe's largest semiconductor maker, says that by the end of next year it expects to have the first stable prototypes ready. If a decade ago we had been serious about promoting renewable energy, that discovery could have been made by an American company, but such breakthroughs are unlikely with the minimal incentives offered in this bill for development of better ways to be less dependent on the energy sources we have now.

It is also disheartening that this bill grants exemption after exemption to the Clean Water Act, the Clean Air

Act, and other protective laws. I do not really understand it. Is boosting the profits of giant companies really more important to the bill's authors than the health of the American people?

Let us talk about just one of the riders slipped in by House Republicans without a vote from either the House or the Senate. This was snuck in during conference. This rider amends the Clean Air Act, gives cities an easy out if they find meeting the new ozone standard is difficult due to transboundary pollution. It requires EPA to grant them an automatic extension. It does not say for how long. It fails to define the conditions that would precipitate such an extension.

The result of this rider, of delaying implementation of the ozone standard for just 1 year, is severe. That rider is estimated to cause 390,000 more asthma attacks, 44,000 of those in my State, 5,000 more hospitalizations, and 570,000 more missed schooldays. That is the result of just one of the many exceptions carved out of our environmental laws by this bill.

Among my nine grandchildren, I have two who are asthmatic. The rate of asthma among juveniles is growing substantially. I lost my sister to an asthma attack. It was obviously a devastating event in our family's history. To those who see kids with asthma get fatigued after participating in sports or otherwise, it is the kind of anguish that drives parents to all kinds of anxieties.

The bill fails the American people on every level. It fails to boost our energy security, it fails to safeguard electricity consumers, and it fails to protect the environment.

It is astounding to look at what this bill does not do. While automobiles account for a whopping 40 percent of our Nation's growing oil addiction, the bill does not address fuel economy at all. The bill comes at the very time when fuel efficiency has arguably never been more important. America's fuel economy is at a 22-year low. Today, the United States spends \$200,000 every minute on foreign oil. But the economic costs of weak fuel efficiency requirements go far beyond just the cost of oil. If we include the major oil price shocks of the last 30 years and the resulting economic recessions, the cost goes up at least \$7 trillion.

Given these hard facts, one would naturally expect a national energy policy to aggressively pursue decreases in oil. It does not. Just the opposite. It generously promotes increases in oil use while tossing what I would call petty cash toward energy conservation, energy efficiency, and renewable energy.

We never hear a word—and this has happened in Democratic as well as Republican administrations—about sacrifice, conserve, think about what happens when more fuel is ground into toxic emissions. It is terrible that we cannot understand there is a mission attached to saving oil and gasoline use.

It is amazing what this bill fails to do on electric policy. This bill contains only one of three provisions the country must enact to prevent another massive blackout such as the Northeast experienced last August. We are being asked to support a dirty Energy bill in order to get one of the fundamental regulatory reforms to our electric grid system. I say the bad outweighs the good, and I cannot support it.

Around here, it is often said that the perfect is the enemy of the good, but I say the bad far outweighs the good as an alternative.

The administration's energy and environmental policies reflected in this bill are so utterly transparent in their goal of more corporate welfare that the consultant, Frank Luntz, warned the party:

Watch your language—

And here he is, the fat cat—

A caricature has taken hold in the public imagination: Republicans seemingly in the pockets of corporate fat cats who rub their hands together and chuckle maniacally as they plot to pollute corporate America for fun and profit.

Unfortunately for many, that is no caricature. From where I am standing, that picture is pretty accurate. If one wants proof, look at this bill. It is filled with little but big breaks for those who need them the least. Yet rather than change their policies, Luntz offers them protecting language. He wrote a memo to Republicans instructing them on how to use the language tested on focus groups to hide their deplorable environmental record.

This Energy bill is a great disappointment. It might have been acceptable at the beginning of the 20th century, but it is indefensible at the beginning of the 21st century.

Mr. President, you know true patriotism is more than waving flags. It means putting the interests of the American people before the powerful special interests, the very thing this Energy bill fails to do. I urge my colleagues to oppose this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Ms. MURKOWSKI. Mr. President, I rise today to speak also to the Energy conference report. Unlike some of the previous speakers I listened to in the past 2 hours that I have been in the Chamber, I stand in support of the agreement that was reached in conference. It has been pointed out that this is not a perfect bill. I would be the first to chime in and say I agree with that. But in an effort to achieve the perfect, I don't think we should overlook the good in the conference report.

Because of the hard work of Chairman DOMENICI and his staff, working with the others on the conference agreement, and spending many, many hours to reach the consensus we have before us, I think we can truly say this is a good bill and a bill that should be signed into law. There has been a great

deal of talk, not just during this legislative session but in years previous: We need to have an energy policy for this country. We need to have the framework for an energy policy.

It seems to me that so often what we do is react to situations, whether it is the blackout we experienced in August, or when the price of gasoline increases to a level where it gets our attention. We only respond when there is something that gets our attention and focuses the Nation on energy.

Quite honestly, most Americans don't pay attention to energy. They don't pay attention to how they get their lights to turn on, or how we keep the temperature cool or warm. I have said many times as I talk about energy, most Americans ascribe to the immaculate conception theory of energy: It just happens. We know that is not the case. It doesn't just happen. It takes innovation. It takes incentives. It takes capital. It takes the desire to do something.

But without the energy we have in this country, we would not have the freedoms or the liberties we take for granted—the ability to do what we want, to go where we want to go. We need to recognize that energy is something that has built our country and made us strong. We need to continue with that sound policy. I believe the conference report we have in front of us is a good first step toward that sound policy.

As I say that in very general terms, I have to start off that this is not my perfect bill. At the top of my list for an energy policy for this country would be the opening of ANWR. We don't see that coming out of the conference report. Congress had the opportunity to include language that would have generated over 1 million jobs for American workers by allowing for oil and gas exploration on just 2,000 acres of Alaska's North Slope.

I know we tried to keep ANWR in the conference report. The chairman was working hard. But we were threatened with that constant threat of a filibuster. You can't put ANWR in the Energy bill or it will be filibustered. It seems a little ironic to be standing here tonight. ANWR is not in the Energy bill yet we are still slowed in the task of getting to a vote on the Energy bill.

The House adopted ANWR and wanted it in the conference report but there were continued objections, primarily from the environmental groups, that have kept us and will keep us this year from moving forward with jobs that truly could have been promised with the opening of ANWR.

I have made the invitation to the Senators here on the floor and I know my counterpart, Senator STEVENS, has made the effort to invite all Senators to visit ANWR and see what this dispute over opening the Coastal Plain of ANWR to oil and gas exploration is all about. We want you to see Prudhoe Bay. We want you to see the develop-

ments in Alpine and the technology we have utilized to provide for the exploration and development of oil up on the North Slope. We want you to see the minimal impact to the environment, and how technology has helped us to advance.

I get a few takers, primarily in the summertime. But I encourage you to come up in the wintertime. This is when we do the production up there. I know that is kind of a chilly invitation to some, but I think it would help to understand what we are dealing with in Alaska, how vast our spaces are, and just how small of an area the Coastal Plain of ANWR, the 1002 area, really is, in comparison.

I agree with those of my colleagues who would argue we cannot drill our way to independence from foreign oil. They are absolutely right. We have to have the incentives for renewable energy sources. We have to have greater technological efficiency. We have to decrease our energy consumption. Those efforts need to be part of this comprehensive energy package. But we must also have increased domestic production. I suggest to you again, if you are going to argue that we need to have energy security, if we want to reduce our reliance on foreign oil, the first place we should be looking is ANWR.

But I am not going to go into any further discussion about ANWR at this time. You have certainly heard the debate before. It will be an issue that we will revisit. We will continue to push for opening ANWR.

I want to take one more second to remind folks that we had an opportunity here for over one million jobs across the Nation, at a time when millions are unemployed in our country. But some Members have declined to accept that offer. Instead, we are talking about extending unemployment benefits.

I suggest to you that the unemployed people in my State, if given a choice, would certainly prefer to have a job than more unemployment benefits.

But when we speak about jobs, I should not be talking exclusively in the negative here because all is not lost. We have an incredible opportunity in Alaska with our natural gas. Several very important provisions are included in this bill that will promote the construction of a natural gas pipeline to transport the vast quantities of natural gas that we have up on our North Slope, to bring it to market in the lower 48, be it down the Alaska Canadian Highway or through LNG tankers to the west coast. We have 35 trillion cubic feet of gas up there now.

You have heard Members in the Chamber talking about the fact that right now that gas is stranded up there. Right now that gas is being reinjected instead of being shipped down here to the lower 48, where we need it. We have provisions in the Energy bill to get that gas where it is needed: We have guaranteed loans, expedited judicial and environmental reviews, and a program to train pipeline workers—again,

talking about the jobs aspect. The pipeline, if constructed, could provide over one million jobs, direct and indirect jobs, through the construction of this pipeline alone.

But the key here is, if this pipeline is constructed, there are no guarantees. We have done a great deal in this legislation to encourage the construction of the line.

There is one provision that generated a great deal of attention and focus but is not included. There would have been a production credit to ensure the economic viability and provide a safety net in the event the price of gas drops to very low levels. That is not included in the legislation.

This is a huge project. People need to understand how huge. This is a \$20 billion project, 3,500 miles in length, 5 million tons of steel, delivering billions of cubic feet of gas per day to a nation that is starved right now for natural gas. And the situation is just getting worse.

It would be the biggest construction project of its kind in the country. It is something that we can only imagine. When we imagine huge projects like this, every now and again they take a little bit of a boost to get going. What we have done in the Energy bill is to provide that boost, to provide the incentives to encourage the construction.

Again, what we are providing is grants to authorize training of the crews and workers who will construct and operate the pipeline.

We limit the period of time to bring a claim, if a claim should arrive, and we expedite the claim so the project doesn't get bogged down in the courts.

We authorize the construction of the pipeline. We have loan guarantees of up to 80 percent of the cost of the project. It would be an \$18 billion Federal loan guarantee—probably the largest loan guarantee we have ever seen given to a project here in the United States.

We have also included a 15-percent enhanced oil recovery credit for the \$2.6 billion gas handling plant that will be required on the North Slope.

We have provided for accelerated depreciation on the project, again helping to provide that incentive which we need to encourage construction of this line.

This only happens, the jobs only come, if the construction happens, if we can get moving with the line, if we convince the producers that it is timely, it is necessary, and that the demand is there. I think we have established that the demand is clearly there.

I am going to be working with the State of Alaska and the industry to examine the options and to pursue those possibilities as we push this project to completion. It is imperative that we in Congress, through the passage of this bill, make our intent known that this is a priority for the country. It is a priority for Alaska. But it must be a priority for this Nation as well.

I have been talking about the Alaska component in the bill. We are pleased

with what I have spoken to so far. But we should be reminded about the other good things in the Energy bill that apply throughout the country.

Authorized annual funding for the Low-Income Home Energy Assistance Program, LIHEAP, is increased from \$2 billion to \$3.4 billion.

There is \$550 million in grants for biomass production, and it provides money for communities under 50,000 in population to improve the commercial value of their biomass.

A couple of weeks ago, I stood on the floor during the debate on the Healthy Forests legislation and I showed a picture of Alaska Chugach Forest on the Kenai Peninsula where as far as the eye can see the standing trees are dead, killed by the spruce bark beetle. With the help of grants that we are seeing in the Energy bill, those trees can be converted into a biomass fuel providing a new source of energy for low-income communities.

There is money for clean coal power energy for those projects that demonstrate the advanced technology that achieves significant emission reductions.

I need to point out that there has been discussion on this floor that through the Energy bill perhaps we are not putting enough focus on clean air, clean water, and concern for the environment. We need to understand that our environment is only going to be helped. We are only going to get cleaner air and cleaner water when we have the advanced technology instead of the old stuff we had in the past. Those technologies might take some upfront money.

I know there are programs that have already been spoken about—such as the clean schoolbuses—\$100 million to retrofit existing diesel buses with new pollution control technology, \$200 million in grants to replace older schoolbuses with clean alternative fuels and ultra-low sulfur fuel buses.

Also, as has been referenced, there is funding for hydropowered automobiles that the President has made such a big push for.

I might remind the body, though, that in order for us to make headway on this particular initiative, it will increase the demand for our natural gas. Again, the imperative is to move forward with a natural gas pipeline.

The bill contains language to make permanent the United States' commitment to the energy security of Israel ensuring, if Israel is unable to independently secure its own supply of oil, that the United States will procure the necessary oil to meet Israel's needs.

There is much in this Energy bill that provides the incentives and the technology to move forward. We have language that will help in the rural areas of the nation—certainly those in my State. Not only do we not have affordable energy in parts of rural Alaska, we don't have any energy to speak of. We have a long way to go, but it is only with the assistance we are seeing

through the Energy bill that we will get there.

While I may suggest that Congress has missed an opportunity on certain topics, such as ANWR, this bill does offer new programs to improve our energy efficiency, increase the development and use of renewable energy resources, and promote domestic production.

It doesn't go as far as it could in reducing America's dependence on unstable foreign sources of oil, but it is the beginning of a comprehensive energy policy for this country. It is a policy that has been lacking for many, many years, and one that I feel is badly needed.

I would like to take this opportunity to thank Chairman DOMENICI and his counterpart in the House, Chairman TAUZIN. I appreciate their hard work and their leadership. Again, this is not a perfect bill, but it is a good bill. I urge my colleagues to support its adoption so we can move forward with a sound energy policy for the country.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER (Mr. CHAMBLISS). The Senator from Washington.

Ms. CANTWELL. Mr. President, I commend the Senator from Alaska for bringing up an important issue of jobs in this bill, because clearly one of the key components that we in the Northwest are interested in is that this bill might move us forward on an energy policy that would create jobs and diversify Northwest power.

When we ran into a drought in 2000 and ended up having to go out on the spot market and buy electricity, we certainly were gouged by some manipulated contracts. But one of the things that could provide us some long-term relief in the near term from future droughts and overreliance on the hydrosystem would be a natural gas pipeline from Alaska down to the continental United States which would help us in diversifying and protecting against such incidents in the future.

But let us be clear. This bill doesn't get the job done. The Alaska pipeline that we have all talked about as it relates to natural gas doesn't have the framework within this legislation to move forward.

I commend the Senator from Alaska for focusing on job issues. I agree with her that an energy policy must accomplish two things. It must set a policy for us to get off our dependence on foreign oil and again for America to have an advantage in job creation as we move on a 21st century energy policy. But this bill does nothing to help us diversify in the short term on natural gas that is available to us in Canada and Alaska. It does very little to help us in the future with the hydrogen fuel economy which, it is estimated, could create 750,000 jobs over the next 10 years. That is not just the kind of activity that would make us a leader in the United States; it is the kind of activity that would make us a global

leader in the energy system of the future.

I will take a few minutes to talk about where we are with the Energy bill and where we have been because yesterday I spent quite a bit of time talking about the overall aspects of the bill. Something of great concern to me, being a member of the Energy and Natural Resources Committee, I wanted to make sure, given the fact this bill has been drafted mostly in secret, starting with the Vice President's energy task force. That left many Americans out of the process of understanding what the administration's energy proposal would be, which led to a conference report that was done in secret by the Republican Party. Yesterday I needed to spend my time talking about the various aspects of this bill in a comprehensive way that would give my colleagues a perspective of someone from the Energy and Natural Resources Committee who has dealt with some of the challenges and problems.

Clearly, this 2003 Energy bill is becoming known as the bill about Hooters, polluters, and about the looting of America that has happened, particularly on the west coast, particularly in my State.

Americans are trying to understand this. I have had phone calls to my office: I don't understand. I understand conservation, I understand renewable energy, I understand incentivizing. What does Hooters have to do with an energy policy?

In this legislation we have included green bond projects; that is, we would help in the public financing of proposals to various developers in Colorado, New York, Iowa, and Louisiana, with \$2 billion in private bonds to build energy-efficient developments. I am for energy efficiency, but last I heard Hooters had its own airline, was doing quite well and probably could borrow any money it needed to invest in energy efficiency.

I have small businesses all over the State of Washington that got smacked with the energy crisis. They had to conserve; they had to shut down. Employees were coming up with all sorts of creativity: nobody got to borrow money from the Federal Government that would allow them to have a line item in a bill that said specifically, this project is for you.

Broad tax credits for conservation programs in which all companies can apply for some of the incentives to get America to conserve—because conservation is a great program, particularly in times of less supply—is a very good idea. But that is not what Hooters got. This particular project, and the three others mentioned in this legislation, specifically include a line item for particular projects. What qualifies them? I find it very hard to explain to my constituents. I know there is a daiquiri bar in and an energy efficient bowling alley and a movie theater and everything else as part of this Hooters restaurant development. But I don't

understand why they should get some sort of line item for bonds, for money that needs to be borrowed for fuel efficiency when everyone else in the country has had to do their own jobs, to turn out the lights and conserve. What is so special about this particular restaurant?

As far as the polluters, obviously, my colleagues have done a great job talking about the MTBE provision and the fact that people who have been involved with that product are seeking relief from being liable for cleanup. I have heard from elected officials all over the State of Washington that they do not want to be the deep pocket. Cities have asked: Why is it that you are going to let these particular polluters in this bill off the hook and stick us with the cleanup cost of this particular product? It is very unfair that that is the approach we would take. My colleague, the Senator from Illinois, and everyone else has been very articulate on that issue.

I am also amazed, as we look at the other aspects of the bill, particularly relating to clean water and the Clean Water Act. Why would my colleagues would want to say, under the Clean Water Act, this is legislation that would somehow say to any coal-producing, oil, or gas company producer in the future under this bill, the 2003 Energy bill, that you do not have to comply with clean water runoff standards. Why should they be exempt? I cannot understand that. You build a shopping center. Guess what. You have to comply with runoff standards from the Clean Water Act. If you build a hotel, you have to comply with getting a runoff permit and saying how you are going to deal with runoff. Why? Because there are two sources of pollution. We have the source point pollution and then we have pollution that occurs from the runoff. We want to control that.

We are demanding every other business in America has to get a permit when they go through development to deal with runoff, to make sure we have clean water. But somehow we are going to allow certain types of industries in the Energy bill, particularly oil, gas, and coal, to be exempt? What kind of policy is that?

The most famous person on this chart is Ken Lay. Why is he the most famous person on this chart to people in Washington State? My constituents want to know why, when they have been gouged with higher energy prices, why this man is not in jail. I don't have a very good answer.

This bill is about pollution. It is about special deals. It is about allowing a part of our country to be looted, to allow special interests to stick their hands in the pockets of ratepayers. That is what I will focus on tonight. This bill takes a drastic step backward. While complex to understand, it is critically important for my colleagues to know they cannot take the drastic steps in this measure that will over-

turn 70 years of case law, protecting consumers with just and reasonable rates.

I talked a little bit about the Clean Water Act. I don't know that I have to go over that again, but I ask my colleagues, why make every other business in America comply with the Clean Water Act? There are probably lots of other industries in the country; yet they have to comply—if they want to develop—with runoff standards. Yet we will let oil, gas, and coal companies off the hook. They do not have to get a permit anymore.

What is the price gouging that has gone on in this legislation? It is significant, and I will talk about that price gouging because it is very important to understand.

I see my colleague from Florida, and I agreed to yield him some time. Would the Senator like that time now?

Mr. NELSON of Florida. If the Senator from the State of Washington would yield.

Ms. CANTWELL. How much time does the Senator from Florida need?

Mr. NELSON of Florida. Five minutes.

Ms. CANTWELL. I yield, from my half hour, 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. NELSON of Florida. I rise in the Senate to tell the Senate that I have concluded after studying this matter considerably that I will vote against this Energy bill, and I will vote against the motion for cloture because I have concluded that it is clearly against the interests of the State of Florida.

I am going to try to point out two particular areas of the bill that violate what everyone should consider in supporting the interests of the people of the State of Florida. This is a map of Florida with stars on it in dark colors. Each one of the dark-colored stars represents a hazardous material spill and an MTBE spill. There are 30,000 hazardous material spills in our State. There are over 20,000 MTBE spills.

In the dark of night, in a conference committee that was closely controlled, a provision was inserted in this conference report that has come back to us for consideration, that all liability of the oil companies would be removed forever on any of the contamination that came as a result of those MTBE spills.

That simply is not right. It is not right to wipe out the ability of 18 counties and cities in Florida that are presently contemplating suit to sue for those oil spills with MTBE, nor is it right that you would wipe out Escambia County's present suit—Escambia County, up here on the map, the cradle of naval aviation, Pensacola—that you would wipe out their present suit against the oil companies because of the damage that has been done to the water supply from the MTBE leeching.

There is a lot in this Energy bill that I would like to support. There is a lot in this Energy bill that I have helped put in and that I will continue to support, such as the incentives for wind energy. That is certainly desirable. There is a major Florida investor-owned utility that has wind energy in other parts of the country. I want to help encourage that renewable source of energy.

But I cannot take the good parts of this bill and overlook the kinds of things such as this: wiping out any liability of oil companies for the harm they have caused to the environment.

Now, there is another major part I have considerable objection to, and that is the coastal parts of this bill. Under section 321, the Secretary of the Interior will be given broad new authority to grant leases, easements, or rights-of-way on the Outer Continental Shelf in areas where there is a moratorium against oil and gas exploration.

It is the "Holy Grail" of Florida that we do not want oil and gas drilling off of our shores, not only for environmental reasons but for an economic reason. We have a \$50 billion a year tourism industry, a lot of which depends on the pristine, sugary white beaches that we have in Florida.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. NELSON of Florida. Mr. President, may I ask the Senator for 2 additional minutes just to complete my statement?

Ms. CANTWELL. Mr. President, I yield the Senator 2 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. NELSON of Florida. I thank the Senator from Washington.

Mr. President, I simply cannot support an Energy bill that suddenly eases the process of permitting or weakens the Coastal Zone Management Act, weakens the process of a State to object to the Federal Government doing anything having to do with oil and gas leasing off of the coast or with regard to the permitting process with regard to oil and gas pipelines.

That is inimical to the interests of Florida and causes me to come down on the side that even though there are lots of meritorious parts of this bill, which I will continue to work for, at the bottom line, this is clearly not in the interest of my constituency.

So I thank the Senator for yielding so that I could state my position, after a very deliberate consideration of this complicated legislation. That is the way I will vote when these issues are brought up tomorrow.

I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Mr. President, I thank the Senator from Florida for his solid statement about the challenges facing us in drafting an Energy bill. The Outer Continental Shelf areas are somehow thrown up in the open as to

whether they are going to be part of the policy discussion, whether States have rights, whether the development along those coastal areas is going to go through the normal process or whether industry is going to be able to just run roughshod over that.

So I appreciate the Senator's statement.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 12½ minutes remaining.

Ms. CANTWELL. Mr. President, I will try to be brief to explain why I have a major objection to this legislation as it relates to what we are doing or failing, I should say, to do to protect consumers from the Enron price gouging that has happened. I think it is an amazing story.

Some of my colleagues were on the Senate floor earlier today talking about how part of the California crisis was that in California they did not pass on the cost of electricity to the retail side and somehow artificially suppressed demand. They asserted maybe that would have worked everything out.

Well, let me tell you, in Washington State we paid the cost at the retail level because we have a lot of public power in Washington State. And we had a drought. It was the second worst drought in the history of our State. It just so happened when that drought occurred it was the same time that California had deregulated, and the spot market was going crazy, and the Federal Energy Regulatory Commission, which has oversight of these issues, was failing to do anything about it.

But public power has a requirement that they have an obligation to serve. So that obligation to serve meant they had to go find power somewhere. Now, they had reserves. They had alternative plans. But they went to the marketplace to buy power and found out the power was selling at exorbitant rates because of the deregulation that happened in California and the fact that the Federal Energy Regulatory Commission was failing to take action.

In fact, it got so bad in our State because of the high rates that we had, in the county I live in, 14,000 people basically lost their electricity that year. We had a 44-percent increase in the disconnect rate in Snohomish County, my home county, that year because of the high cost of energy. People could not pay their bills.

Now, I know some people think: Well, bad decisions were made by a company, and that may not happen again, or somebody did not plan for enough power in the future. But we all know now that Enron manipulated these rates. They have admitted to manipulating the rates. The Federal Energy Regulatory Commission has said they manipulated those rates. So we all know what has gone on in those situations. But I don't think America knows that people in my State are still paying on those manipulated rates.

And my consumers are mad. They are furious. They are furious that this Energy bill not only fails to recognize we need stricter guidelines against market manipulation to prevent that from occurring in the future, but somehow this bill actually goes further in condoning those acts by saying it is going to try to preserve those Enron contracts resulting from manipulation.

Let me give you an idea of what consumers have said to me.

One of my constituents writes:

We are writing to express our extreme concern regarding our latest electricity bill. We have done everything in our power to conserve, and that is reflected in our usage, which has been down to a very minimal level. We have lived at this address since 1979, and we cannot continue to live in Snohomish County because the electricity bills are almost greater than our mortgage payments. We are currently considering moving.

Another constituent writes:

I just received my bill today. I tried to prepare myself before opening the envelope, but, guess what, I didn't prepare myself 6,000 times enough because my bill was \$800. That's absolutely crazy. We have lived at this address for 23 years, and we have tried our best at conserving. Where is it going to end?

So my constituents—and I could read many more. I could tell you how the Everett School District in Snohomish County ended up having a million-dollar increase in their energy budget, how small businesses have had huge increases in their energy budgets.

It includes the grocery industry in the State of Washington—everybody knows that grocery stores operate on slim margins and use a lot of electricity. Do you know what they have said to me? "We are not going to build another grocery store in Snohomish County because your rates are too high."

And our rates are too high because we continue to have to pay on Enron contracts that Enron admitted they manipulated. Why is it that we have to continue to pay on these contracts?

You would think that at least at a minimum the Energy bill would take a step forward and say: Let's prevent the kind of Enron manipulation from happening again. But we are not doing that.

In this bill, originally Senator DOMENICI's proposal, roundtrip trading is prohibited. But there are other things we proposed: basically making sure people don't dodge price caps; making sure people don't falsify demand schedules, like the load shifting that happened in California; people who would go out of the region and then sell power back into the region; obviously, under the scheme Fat Boy, people were hiding some of the energy supply that they had—all those things are still allowed under this Energy bill.

As much as my colleagues have tried to articulate this on the floor, somehow the other side of the aisle wants to ignore the reality: This bill is not dealing with the Enron manipulation schemes and blocking them from happening again. I don't see, just on this

issue alone—if there was nothing else in the Energy bill—why people would support this Energy bill because of this policy.

I ask my colleagues, I know it may not seem to you like an issue because it didn't happen to your State, but find me a Member on the other side of the aisle who would accept having a 50 percent rate increase for their consumers, not just for 1 year but for the next 5 years because that is what we are paying. And we are paying on those contracts to Enron. I have a letter from a woman. I will not go into the details, but she basically ended up losing her job and having to move to a different area because of this.

What is the real issue? These contracts have been manipulated. These rate are the increases. These are the numbers from 2002, but as I said, almost a 50 percent rate increase in Snohomish County where I live. Seattle City Light had a 60 percent increase. So we are talking about real dollars that my constituents are paying on these Enron contracts.

Enron admitted they manipulated contracts. They admitted that they weren't just and reasonable rates and that they used all these schemes. You would think my utilities could get out of those contracts. You would think my utilities could reform those contracts. In fact, I am amazed; the Department of Justice actually went after Enron and got them to reform a contract as it related to a Federal entity, the Bonneville Power Administration, because they had the power of the DOJ behind them. But when my little utilities, which don't have the Department of Justice working on their side, tried to go to court and get those contracts reformed—no luck. They were sent to the Federal Energy Regulatory Commission, which got on a conference call with Wall Street investors, told the Enron company and their interests, don't do anything to negotiate and reform those contracts because basically we are going to rule in your favor.

That is in a Wall Street Journal article. I ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 31, 2003]  
POWER POINTS: SECOND THOUGHTS ON FERC'S CALIFORNIA D-DAY  
(By Mark Golden)

NEW YORK.—Even though the Federal Energy Regulatory Commission's big day on California began Wednesday with a 400-page catalog of bad behavior by energy companies, the second look by Wall Street was that things weren't so bad.

FERC staff reported to Congress that Reliant Resources (RRI) was significantly responsible for the high prices for natural gas in southern California in the winter of 2000–2001, which may have cost consumers billions of dollars.

Reliant and BP PLC (BP) did sham electricity trades, the staff alleged, and dozens of companies used trading strategies like the infamous "Get Shorty" stuff that Enron

Corp. (ENRNQ) used in California's power market. That was illegal, staff said, and all those companies should be forced to cough up any related profits. Refunds due California for overpriced crisis-era power sales could be increased.

But the "D" in what one Wall Street analyst has been calling "D-Day" turned out to stand for "dirt": A lot of ugly stuff that will make it hard for energy companies to continue claiming as they have that there wasn't much funny business during the crisis, but which isn't that horrible from a financial or legal perspective for most of the companies involved.

Reliant's "churning" of the gas market, for example, wasn't illegal, FERC staff said, and the conclusion that the practice caused prices to rise required a leap of faith. The Reliant-BP trades may cause BP to wonder if its trader rigged a higher bonus, but they had nothing to do with the soaring prices that prevailed during the crisis.

FERC staff exonerated Williams Cos. (WMB) from claims it manipulated the California gas market. And FERC commissioners said they were going to take some time to decide whether their staff was right about the Enron-like trades being illegal.

During the public meeting, the stock prices of several companies named in the investigation fell hard. Most recovered Thursday and again Friday as the smoke cleared.

#### MIXED MESSAGES

FERC's Donald Gelinas, who headed the investigation into market manipulation for the past year, presented his findings in the well-attended public meeting.

After the meeting and a press conference, FERC Chairman Pat Wood and Commissioner Nora Mead Brownell, the commission's two Republicans, held a password-protected conference call with a select group of Wall Street analysts. According to several of those present, the commissioners conveyed the message that the staff findings weren't that bad.

According to one analyst on the call, the split approach makes sense. FERC wants to present a public image as a tough cop on the beat so that states and the U.S. Congress support its push for advancing electricity deregulation. On the other hand, FERC doesn't want to scare away more investment from the decapitalized electricity sector, which is in desperate need of new transmission lines and will need more power plants soon in some regions of the country.

"It was the typical thing they've been doing—trying to please Wall Street at the same time they are trying to please California, and they end up not pleasing anybody," that analyst said.

Brownell discussed the prospects for the commission's decision—expected but postponed on Wednesday—on whether to abrogate long-term power contracts signed during the crisis. She said there are likely two votes against abrogation on the three-member commission, and that the commission will hopefully issue an order in the next couple of weeks, according to one analyst on the call, who took notes.

Brownell's comments on the contracts were similar to what was said in the public meeting, even if the latter tone was more assuring to investors.

Schwab Capital Markets energy stock analyst Christine Tezak didn't agree that the commission has presented different messages to different audiences. Instead, their discussion with the analysts reflected the audience's primarily financial concerns.

"For Wall Street, the whole blame game thing isn't that interesting to us," she said. "We want to know what actions they took and what it's going to cost and when."

#### FERC APPROACH DEFENDED

Observers shouldn't necessarily expect the messages of the staff report and the commissioner's discussion with analysts to be consistent, a FERC spokesman said.

"The intent was to get an independent fact-finding analysis about whether Enron or any other company had the ability to manipulate the markets for power and gas in the western states in 2000 and 2001," spokesman Bryan Lee said.

Chairman Wood wouldn't try to influence the outcome of that investigation, nor does the investigation reflect his opinion on the matters, Lee said.

Still, a press release issued at the time of the report promised "tough action" from commissioners based on the report. Wood said that any doubts about FERC's role as effective "cop on the beat" should be dispelled.

Ms. CANTWELL. Enron is actually suing consumers across America. They are suing consumers in my State, in Washington, in Oregon, California, Nevada, Idaho, in the Midwest, in the East. The States on this map, those are States in which Enron is saying to utilities and to consumers and ratepayers: I am taking you to court to make sure you continue to pay on manipulated contracts because really you are going to be the deep pocket for these energy prices.

It is just plain wrong. It is plain wrong that that is what America is dealing with and that this particular bill does nothing about it.

Since the beginning of these contracts in my area, I have probably paid \$700 on my own energy bill—\$700 more than I would have paid if we would have had normal rates. Here is a check from me. It is not really my bank. It obviously doesn't have my bank number on there. But that is what I am going to next pay to Enron because of the fact that my utility can't get out of those manipulated contracts. My utility can't get out of those contracts. That is what everyone in Snohomish is going to have to pay, \$370 more, even though we have already paid \$796 more since the crisis began.

There is another example of a woman in Snohomish County, where I live, who was trying to take care of her mother. Basically, she got laid off from Boeing. She got a utility bill for \$605, nearly double the last bill she had. Her mother got a bill for \$747. Her mother is on a fixed income. She only has \$1,500 a month from Social Security, and she is supposed to pay 747 of those dollars out to Enron to foot the bill for manipulated contracts. And this body can't do any better than to condone those contracts and further protect them under this bill? It is amazing. It is truly amazing.

So where are we on this problem and this issue? Just look at what ratepayers in my region have had to pay since 2001. The total my ratepayers have had to pay is \$1.5 billion, over and above the amount they otherwise would have had to pay in the Northwest, all because they are stuck with long-term Enron contracts. It is unfair. It is unjust. It certainly isn't reasonable.

What is the problem with this legislation in front of us? Again, you would say: That is an issue of manipulated contracts. You ought to go to court. You should figure out what the court has to say about those contracts.

Actually, many of my constituents did go to court. Snohomish County PUD went to court. Enron turned around and countersued. Basically, the court said: You don't have standing here because this isn't a decision before our courts. You have to go to the Federal Energy Regulatory Commission. They are the people who oversee these issues.

So when they went to the Federal Energy Regulatory Commission, they said: There is market manipulation, but we are not going to do anything about it. And, frankly, it is a problem, but our report only is going to demonstrate that there was manipulation and we are not going to do anything.

So what we have had to do is really push on the fact that the Federal Power Act says there should be just and reasonable rates.

This bill further amends the Power Act, and it basically says that these contracts should stand. It basically gives the contracts sanctity. It goes one step further than 70 years of case law and says: Even though the Power Act requires just and reasonable rates, we are going to guarantee these contracts. And FERC and the courts don't have to reform them ever, unless somehow someone can prove that a failure to do so is somehow contrary to the public interest.

We are setting a whole new legal standard in this bill. We are failing to correct the Enron manipulations. We are failing to give direction in a key area of consumer protection. Not only that, we are changing 70 years of case law and saying it is OK to manipulate contracts.

It is time to defeat this bill which supports Hooters, polluters, and the Enron looters that are gouging American ratepayers.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I congratulate Chairman PETE DOMENICI and his staff for bringing a comprehensive Energy bill to the Senate floor. It has many positive features. Unfortunately, on balance, the provisions he was not primarily responsible for, those that came out of the Finance Committee, are far too heavily weighted towards subsidies and mandates and require that I respectfully oppose the bill.

Let me first mention some of the good in the bill. This is the part that came out of the Energy Committee. First, on the subject of reliability, since the year 2000, Congress has attempted to pass mandatory reliability standards. For some time it has been known that the voluntary reliability standards that currently exist were not adequate. This point was brought home in August with the blackout that hit New England and the Midwest.

We know from the United States-Canada Power Outage System Task Force interim report on the causes of the blackout that First Energy failed to follow at least six voluntary reliability standards. The mandatory reliability standards in this bill will ensure that utilities cannot ignore the responsibility they each owe to maintaining the grid. It will go a long way toward keeping the lights on for millions of Americans.

SMD delay, standard market design, the Government knows best, a one-size-fits-all prescription for Federal domination at the expense of States and the market: This had to be stopped in its tracks before it cost consumers billions of dollars.

The same bureaucrats who approved the plan that brought blackouts and skyrocketing prices to California, obviously, didn't learn their lesson.

So we included a strong SMD delay provision in the bill. The message to the Federal Energy Regulatory Commission, FERC, is very plain: When Congress says no, it means no; and it says no rule before 2007. By that, we mean you cannot just slap another label on SMD, such as WMP, or use a different legal basis, such as "just and reasonable rates," rather than discrimination, and then send the same straitjacket kind of a rule out the door. The same goes for standards of conduct rulemaking, a supply margin assessment test, or some other Federal Government regulatory scheme.

Native load: The current stormy debates over how wholesale electricity should move and be traded in this country will mean nothing if we cannot guarantee retail customers, the families and businesses that pay their electricity bills every month, that when they flip the switch the lights will go on. The native load provision that I worked on with Senator DOMENICI guarantees Arizona's transmission lines will first be used to serve Arizonans and not just sold to the highest bidder. These are some of the good things in the bill. They are all in the electric portion of the bill that Senator DOMENICI presented.

The bad comes from the Finance Committee on which I also sit, primarily in the form of tax subsidies. The conference agreement includes nearly \$24 billion in tax incentives; most are tax credits. I advise my colleagues that the negotiating compromise process here was a curious one. The energy tax provisions in the Finance Committee this year totaled \$15 billion over 10 years. The House tax incentives total \$17 billion over 10 years.

Mr. President, you would think that, between \$15 billion and \$17 billion, there is a fairly obvious number there—\$16 billion might have been the compromise between the House and Senate. That is not the way it works. The compromise between \$15 billion and \$17 billion was \$24 billion. Guess who lost in the compromise? The American taxpayers. How did you get

to \$24 billion? Well, obviously, there were a lot of votes that needed to be gained and that is how we got to \$24 billion.

Maybe there is another formula. The administration only asked for \$3 billion in energy tax incentives. This is three times that amount. Maybe that is the new formula for compromise in a conference committee. So that is not an appropriate number. It is way out of bounds. It is too much of a burden on American taxpayers for benefits that are dubious at best.

Tax credits are not the most efficient way to set policy. They can be inefficient and wasteful. We should use them very sparingly. Tax credits distort the market and cause individuals or businesses to undertake unproductive economic activity that they probably would not do absent the inducement. They are, in effect, appropriations through the Tax Code; they are a way to give Federal subsidies, disguised as tax cuts, to favored constituencies.

Here are some examples of tax subsidies in this agreement:

Section 45, renewable energy tax credit: Cost, \$3 billion over 10 years. The conference agreement extends and expands the production tax credit for energy from wind and closed-loop biomass. It also extends credit to new forms of energy, such as solar, open-loop biomass, geothermal, small irrigation, and municipal solid waste. This provision includes energy produced from livestock waste and animal carcasses—so save your Thanksgiving turkey.

Energy-efficient improvements to existing homes, \$352 million, for 10 years.

Energy-efficient new homes, \$409 million, for 10 years.

Credit for energy-efficient appliances, \$255 million, for 10 years. That is for washing machines, refrigerators, and the like.

Extend and modify the section 29 credit for producing fuel from non-conventional energy sources, \$3.1 billion, 10 years. Often, companies that claim this credit are not even energy companies. There is one I have familiarity with because Arizona tried something similar.

Alternative motor vehicles incentives: Cost, \$2.5 billion, 10 years.

This agreement deletes a requirement that was in the Senate bill I got in for a study. Why did I do that? We found that the Arizona experience could have cost the State of Arizona hundreds of millions of dollars. I wanted to prevent that from happening here. We had a disastrous experience with alternative fuel vehicle incentives. This is a quote from the Arizona Republic when the Arizona Legislature repealed its alternative fuel program:

Lawmakers gutted the disastrous alternative fuel vehicle program . . . in a volatile and dramatic House vote, ending a debacle that outraged taxpayers, panicked buyers, and brought down one of the State's most powerful politicians.

The repealed law, incidentally, paid for up to 50 percent of the cost of a car

equipped to burn alternative fuels. The program could have cost Arizona \$½ billion if it hadn't been repealed—11 percent of the State's budget. When proposed, the cost of the program was projected to be between \$3 million and \$10 million—less than 10 percent of its true cost. So the question I wanted to study was, are we confident about the revenue estimates for our congressional provision?

I have talked a little about some of the good and a little about some of the bad. Let me conclude by talking about the truly ugly.

Ethanol: The ethanol provisions of the conference report are truly remarkable. They mandate that Americans use 5 billion gallons of ethanol annually by the year 2012. We use 1.7 million gallons now. For what purpose, I ask, does Congress so egregiously manipulate the national market for vehicle fuel? No proof exists that the ethanol mandate will make our air cleaner. In fact, in Arizona—and this is a critical point—the State Department of Environmental Quality found that more ethanol use will degrade air quality, which will probably force areas in Arizona out of attainment under the Clean Air Act. Arizonans will suffer as a result.

Furthermore, according to the Energy Information Administration, this mandate, costing between \$6.7 billion and \$8 billion a year, will force Americans to pay more for gasoline. Nor is an ethanol mandate needed to keep the ethanol industry alive. That industry already receives a hefty amount of the Federal largess. CRS estimates that the ethanol and corn industries have gotten more than \$29 billion in subsidies since 1996. Yet this bill not only mandates that we more than double our ethanol use, it provides even more subsidies for the industry—as much as \$26 billion over the next 5 years.

Professor David Pimental, of the College of Agriculture and Life Sciences at Cornell, has studied ethanol. He is a true expert on the "corn-to-car" fuel process. His verdict, in a recent study: "Abusing our precious croplands to grow corn for an energy-inefficient process that yields low-grade automobile fuel amounts to unsustainable, subsidized food burning." It isn't efficient. The fuel is low-grade. And what is more, Congress, by going in for "unsustainable, subsidized food burning," will impede the natural innovation in clean fuels that would occur with a competitive market, free of the Government's manipulation. These ethanol provisions, alone, dictate that I vote against the bill.

So, Mr. President, in conclusion, while this bill includes several meritorious provisions, especially those negotiated by Chairman DOMENICI, I must vote against it because of the \$24 billion in tax subsidies and the bill's irresponsible manipulation of the energy markets through the Tax Code and the ethanol mandate.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, it is my understanding that we are expecting Senator GRAHAM as part of an order.

The PRESIDING OFFICER. Senator GRAHAM has 20 minutes under that agreement.

Mr. REID. I will speak for a few minutes until he comes.

Mr. SCHUMER. Mr. President, will the Senator yield?

Mr. REID. I am happy to yield.

Mr. SCHUMER. May I be put in line after Senator GRAHAM?

Mr. REID. Will the Chair announce the schedule before the Senate as to what speakers will appear.

The PRESIDING OFFICER. Senator GRAHAM is the last speaker under the agreement, with 20 minutes.

Mr. REID. I ask unanimous consent that following Senator GRAHAM, the majority be recognized if they desire, and then following that, Senator SCHUMER have an opportunity to speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, as we look around the world today, we see blackouts and we see wild price spikes in electricity markets. We see turmoil in the Middle East. We see global warming caused by fossil fuel emissions. We see air pollution that contributes to asthma attacks among our smallest citizens—our children. We see our parks that are smog-ridden. We see all these things, and we realize the United States needs a national energy policy with a purpose and a vision.

We don't need more of the same old thing—more drilling, more burning, more shortages, more blackouts, more price spikes, and ever larger vehicles with inefficient engines. We need a national energy strategy that will protect our environment, provide a reliable supply of electricity for our consumers, and bolster our national security.

Instead, we get a \$75 billion grab bag that I believe has serious problems with the three P's—process, pork, and policy.

The process of this bill was fatally flawed. The genesis of the bill, I believe, was hatched in secret almost 3 years ago by the Cheney task force and completed in secret just a few days ago.

The usual policy—and we have tried to live up to that—is the Senate does a bill, the House does a bill, and both parties—that is the Senators from the Senate and Congressmen from the House, Democrats and Republicans—sit down together to try to work out an arrangement. In this instance, the ranking member of the committee, Senator BINGAMAN, who was also the former chairman of the committee, was not consulted. The first he saw the bill was when it was printed. The distinguished Senator from Vermont, the ranking member and former chairman of the Environment and Public Works Committee, Senator JEFFORDS, was not consulted, even though 100 titles of this legislation that is now before the Sen-

ate were under the jurisdiction of the Environment and Public Works Committee.

The pork was best summed up by Senator MCCAIN's description of this bill: Leave no lobbyist behind. It is shameful that two-thirds of the tax incentives in this bill go to oil, gas, coal, and nuclear energy. This is an investment in the past, not an investment in the future.

This bill will lavish more than \$55 billion of taxpayer money on some of the wealthiest corporations in the world; namely, oil, gas, and coal companies. It would be better if the companies were all U.S. companies, but some of them are not even U.S. companies getting these benefits.

The most disappointing aspect about this bill is its failure to enact a policy with vision. After pouring billions of dollars into oil and natural gas, we need to invest in clean technology, in a clean energy future. Sadly, this bill is more of the same old, same old. It endangers the environment; it does nothing to help consumers; and it will not break our dependence on foreign oil, a dependence that jeopardizes our national security.

Let's start with the assaults on the environment that are included in this bill.

There have been hours of speeches given in the last 2 days of how it endangers our water supply by granting MTBE producers immunity from claims that the additive is defective in design or manufacture and by weakening the leaking underground storage tank regulations.

It allows large metropolitan areas to extend deadlines for ozone nonattainment areas to comply with the Clean Air Act, and it relaxes regulatory requirements for energy production on Indian reservations and public lands.

It is beyond my ability to comprehend how anyone who is supportive of tribal sovereignty, reservations, and economic development with our Indian tribes could support this legislation.

This bill also falls short of the real steps needed to guide America toward energy independence.

For example, it is a great disappointment to me that higher fuel efficiency standards have not been included in this bill. If all cars, trucks and sport utility vehicles had a CAFE standard of 27.5 miles per gallon, the country would save more oil in 3 years than could be recovered economically from the entire Arctic National Wildlife Refuge. A comprehensive energy strategy must include conservation, efficiency, and expand generating capacity.

Certainly our Nation must promote the responsible production of oil and gas, but that doesn't mean we should sacrifice the environmental protections of our public lands.

We can't drill our way to energy independence. America only has 3 percent of the world's oil reserved, but we use 25 percent of the world's supply.

This bill also fails to protect consumers.

In the past few years, people in my home State and other Western States have experienced severe spikes in the price of electricity. The policies of the past are not the answer. Like Dorothy in the Wizard of Oz, the solution is literally right at our feet—under the ground, in the wind around us, and emanating from the Sun. In Nevada and other Western States, we have the potential to generate enormous amounts of electricity with geothermal, wind, and solar power. That is why I am disappointed this energy bill does not contain a renewable portfolio standard requiring that a growing percentage of the Nation's power supply come from renewable energy resources.

I am proud that my home State of Nevada has adopted one of the most aggressive renewable portfolio standards of any State. It requires us to produce 5 percent of our electricity with renewable sources, not counting hydropower, by the end of this year. In 10 years, the goal jumps to 15 percent. We already have developed 200 megawatts of geothermal power, with a long-term potential of more than 2,500 megawatts.

Utilities in Nevada have also signed contracts to provide 205 megawatts of wind power in 2 years, and an additional 90 megawatts is proposed. By some estimates, we could potentially produce more than 5,700 megawatts from wind power—meaning we could meet our entire electricity needs with geothermal and wind. So I wish this bill included a Renewable Portfolio Standard.

Thankfully, it does extend and expand the production tax credit on renewable energy resources from wind and poultry waste to include geothermal, solar, and open-loop biomass. I have spent years fighting for this tax credit, because it will give businesses the certainty they need to invest in geothermal and solar generating facilities. We know the production tax credit will work because it already has. With the benefit of the existing production tax credit, wind energy is the fastest growing renewable energy source. In 1990, the cost of wind energy was 22.5 cents per kilowatt hour. Today, with new technology and the help of a modest production tax credit, wind is a competitive energy source at 3 to 4 cents per kilowatt hour. I applaud the fact that wind, geothermal, and solar energy will receive a production tax credit of 1.8 cents per kilowatt hour.

I had hoped the bill would provide geothermal and solar energy the same 10-year tax credit that wind energy enjoys, but a 5-year credit is a good start. The facilities to develop these energy resources are very capital intensive, and a 10-year tax incentive is needed to fully realize our renewable energy potential.

Developing these renewable resources will not only help consumers, it will create thousands of jobs. And many of these jobs will be in rural areas that are desperate for economic growth. A report from the Tellus Institute,

“Clean Energy: Jobs for America's Future,” found that investment in renewable energy could lead to a net annual employment increase of more than 700,000 jobs in 2010, rising to approximately 1.3 billion by 2020, and that each State would experience a positive net job impact. This is why we must be bold. We must not cling to the fossil fuel technology of the past. We must explore and seize the potential of the future.

I opened my remarks a few minutes ago by talking about all of the problems we see if we look around the world today. But I also see much that could be positive. I see renewable energy resources—the brilliance of the sun, the power of the wind, the eternal heat within the Earth. And I see the good old American ingenuity to unlock that enormous potential.

With a little bit of incentive and investment, we can develop the technologies to efficiently develop our renewable resources. And as fantastic as it sounds, with the use of hydrogen fuel cells, oil will eventually be phased out as the primary transportation fuel.

If we choose to invest in energy efficient and renewable technologies, we will create thousands of new jobs, we will protect our environment, we will provide consumers with reliable sources of energy, and we will bolster our national security. That is the vision our Nation needs. That is the leadership we must provide.

The PRESIDING OFFICER. The Senator from Florida is recognized for 20 minutes.

Mr. GRAHAM of Florida. I thank the Chair. Mr. President, the Energy bill before the Senate today is the newest chapter in the book that we have been writing throughout this year. The title of that book is “At War With Our Children.” This legislation would represent another example of this generation taking the benefits of our profligate behavior and then asking our children and grandchildren to pay the cost.

This chapter begins with the addition of over \$30 billion in sanctioned appropriations and some \$70 billion in authorized appropriations. This will be added to an already gigantic deficit. If it had been added to this year's deficit, it would have increased it by approximately 7 to 8 percent. This cost will be paid by our children. But this goes beyond just adding to the financial burdens of our future. It adds to the vulnerability of our children and grandchildren—a vulnerability that will be occasioned by the fundamental philosophy of this legislation, which is to drain America first.

There are some small vows to conservation and alternative sources of energy, but the principle that lies behind this bill is to extract as much of our national treasure as quickly as possible and to accelerate the date when we will have depleted our domestic source of petroleum and other critical natural resources.

Our generation gets whatever short-term benefits—physical maintenance

of low prices of gasoline, the benefits to the oil and gas industry—that will come from this bill. But we again declare war on our children because they will end up paying for it.

Let me suggest what I think should be some goals of a reasonable, comprehensive energy policy. These would be illustrative of the kind of long-term goals that should be but, regrettably, are not the focus of this Energy bill. As an example, my goal No. 1 was that we must take a long-term approach to energy policy, establishing goals to reach for the next 50 years with milestones for each decade to guide our progress. We cannot be the generation that sets our national energy policy on a course which will inevitably result in totally depleting our domestic energy reserves by the time our grandchildren are adults.

The United States is the model to the rest of the world. We should lead by example, using energy conservation and efficiency measures. We should husband our domestic reserves, particularly of petroleum, for times of international turmoil.

Goal No. 2: We must wean ourselves from our unhealthy dependence on petroleum, both foreign and domestic. Current estimates show that the United States is consuming between 19 and 20 million barrels of oil each day. From the mid-1970s into the 1980s, use of petroleum sharply dropped in the United States. I propose we return to that path and aim to decrease the use of petroleum by approximately 10 percent over the next decade, with the ultimate goal of finding a cleaner and more efficient way of operating automobiles and expanding our transportation options such as high-speed rail.

Goal No. 3: We must reduce our importation of foreign oil, which currently accounts for about 65 percent of the oil we consume. We must conserve our current use of domestic oil and gas in order to stretch their availability as far as possible.

Under current levels of extraction and projected levels of use, in approximately 50 to 75 years, about the time our grandchildren will be our age, we will have exhausted our domestic petroleum reserves at current economic and technological levels of extraction.

This is not a new problem, it is one that has been pointed out to us for more than half a century. In 1946, James Forrestal, then-Secretary of the Navy, said this:

If we ever go into another world war, it is quite possible that we would not have access to reserves held in the Middle East. But in the meantime, the use of those reserves would prevent depletion of our own, a depletion which may be serious within the next 15 years.

Secretary Forrestal's statement is remarkable for a couple of reasons. First, he was looking far over the horizon, beyond the short term, and trying to see what would be happening over the next 50 years. Second, he did not succumb to the mantra of independence from foreign oil through draining

America first. Rather, he viewed use of foreign oil as a method of husbanding our domestic reserves.

This Energy bill, with its drain-America-first policy, is a step backward from Forrester's policy. It will assure that we deplete our own resources in the near future. Forrester sets the examples of the kind of policy we should be making in this energy Bill today.

Goal No. 4: We must increase the amount of renewable and alternative energy we use. This would include wind, solar, hydro, geothermal power, and municipal solid waste. It should also include clean coal and nuclear as alternatives to current fossil fuel use.

Goal No. 5: We must eliminate our overreliance on a single source of power for electric energy generation. I am becoming increasingly concerned about our tendency to turn to natural gas to solve all of our energy woes. Clearly, natural gas has some significant advantages in terms of emission reduction, but we as a nation, in my judgment, would be foolish to have only a single or even a single dominant source of fuels for our electric supply.

The National Association of State Energy Officials estimates that natural gas used for electricity generation will increase by 54 percent between 2000 and 2015 as new powerplants are built and older plants are converted to natural gas.

In contrast, our friends in Europe are making great strides in expanding their energy portfolios to include renewables. Denmark, for example, has a plan to eventually generate about 20 percent of its energy needs from wind power. The United States should take serious steps to include all available energy sources. One way to accomplish this would be to establish a national renewable portfolio standard. This simple measure would go a long way in putting us on the path to a sustainable energy future, by encouraging innovation in renewable energy technologies and by increasing the demand which would have the result of more efficient production. It would create jobs in America for Americans.

Unfortunately, the Energy bill we are considering today ignores the renewable portfolio outright, even though Senator BINGAMAN's amendment to this effect was accepted by a strong bipartisan vote by the Senate conferees.

Goal No. 6: We must provide Americans with a reliable electricity system. We all know that millions of people were affected by the blackouts of this past summer. What we do not know is how to prevent it from happening again. I am pleased that this bill begins the process, although distressed that this bill does not go as far as the Federal Energy Regulatory Commission has recommended to give us greater reassurance about the avoidance of August 14 calamities in the future.

But there is even a more basic step we should be taking, and that is to accomplish the goal of a reliable electric

grid, we must gather data about the current state of reliability.

It is shocking to realize there is presently no national reporting of outages, which makes it difficult to determine the scope of the problem and the range of solutions. Electricity customers have the means to find information about the price of their electricity should we have such national data. They do not have such an opportunity today.

I propose that consumers should also have the means to judge the reliability of the system that provides them their electricity.

Goal No. 7: We should reduce the impacts of the use of energy on our environment. In the 1990s we proved that the American economy could grow while making meaningful progress to improve our environment. This means we should not drill America first without considering real conservation and real efficiency standards, as well as the effects of such drilling on the depletion of our domestic energy reserves. It also means striving to reduce carbon emissions.

This bill does neither. It focuses, with laser-like precision, at giving big oil every item on its wish list while running roughshod over the rights of the States that depend on, for instance, healthy coasts for their economic security. Section 325 weakens the consistency guidelines of the Coastal Zone Management Act.

Currently, States have the right to review proposed offshore projects and object if they find that these projects are inconsistent with the State's plans or policy. This Energy bill would impose severely restrictive guidelines and deadlines for decisions appealing States' consistency determinations. The practical effect of this would be to limit opportunities for States to comment and provide important information on issues which directly affect their coastal zones.

Coastal States deserve to have a say in the fates of their shores. This is the basis upon which the Coastal Zone Management Act became law. This Energy bill includes provisions to get every drop of oil out of domestic reserves while refusing to improve CAFE standards for SUVs. With advances in technology, it is not difficult to improve the efficiency of vehicles while providing the other features that drivers want. Yet this bill creates the likelihood that fuel efficiency standards will continue to lag. We should resolve to move to at least the 35 miles per gallon level for new cars within this decade.

The National Academy of Sciences says this is a reasonable goal. If we pursued this goal, we would lessen the impact of any oil interruption, we would sharply reduce the amount of money going to areas of the world where the cash might support undesirable activity, and, in addition, we would also make a significant dent in reducing greenhouse gases, an issue

which is also ignored by this Energy bill. Any comprehensive Energy bill that doesn't commit to at least some reductions in the emission of greenhouse gases is not worthy of passage.

Furthermore, this Energy bill goes one step further and actually rolls back important environmental standards. One example of this is the exemption of the hydraulic fracturing process from the Safe Drinking Water Act protection for drinking water sources. I have grave concerns about this action from public health, environmental, and legal perspectives.

Hydraulic fracturing is a means by which certain energy sources are retrieved through the use of a heavy hydraulic process. The consequence of this is that after the useful materials have been recovered, there is a significant amount of water laden with materials which contain potentially serious carcinogenic and toxic substances. There are potential serious consequences for drinking water quality in areas where this hydraulic fracturing occurs. In many cases, the fracturing fluids being pumped from ground water contain toxins and carcinogenic chemicals. Diesel fuel is a common component of fractured fluids.

The Energy bill before this conference permanently exempts the oil and gas industry from storm water pollution activities at construction sites. Since 1990, large construction sites have been required to control storm water runoff in order to prevent pollution from entering adjacent waterways, harming wildlife and impairing water quality.

The irony of this is that the Senate will soon consider the transportation bill, the Surface Transportation Act. This act was amended in the Environment and Public Works Committee to mandate that States earmark at least 2 percent of their highway funds to deal with storm water runoff. While we are doing this to our public agencies, requiring them to devote substantial funds and attention to storm water runoff, we are permanently exempting the oil and gas industry at its construction sites from doing so.

Mr. President, I ask unanimous consent for an additional 3 minutes to complete my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAHAM of Florida. Mr. President, in the year 2003—this year—smaller sites were to have been required to adopt the same pollution controls which, since 1990, have applied to large projects. Under industry pressure, the EPA issued a 2-year extension for the oil and gas industry. All other sectors, including small municipalities, still have to comply. This section of the Energy bill adopts a permanent exemption for all construction at oil and gas sites, including those sites that held permits for over 10 years.

These are only some of the examples of environmental rollbacks in this Energy bill related to clean water, clean

air, the National Environmental Protection Act, and other important enactments designed to protect the environment and the public health.

The Energy bill we have before us today cannot guarantee Americans that their energy future is secure. Returning to the illuminating remark of Yogi Berra, if we look at this legislation, we begin to get some sense of where we are headed.

With this Energy bill, we have written the next chapter in the book "War On Our Children," and it describes the next battle: Drain America First, overlook conservation measures, ignore strategies to reduce depletion of domestic reserves.

The residue of these outdated ideas will undoubtedly stain the future. Our children and grandchildren will live in an America where water is more contaminated, where air is further clogged with pollution, where access to clean rivers and streams for drinking, swimming, and fishing will be diminished.

The cost of this destruction is not only economic or environmental, it is societal. Future generations will be forced to fix our mistakes instead of focusing on a better tomorrow for their children and grandchildren.

For these reasons, I strongly oppose this legislation and will vote no.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. VOINOVICH. Mr. President, I rise today in support of the conference report accompanying the Energy bill. As I have often stated, we sorely need to develop a long overdue comprehensive energy policy for our Nation. The United States has a responsibility to develop a policy that harmonizes the needs of our economy and our environment.

These are not competing needs. A sustainable environment is critical to a strong economy and a sustainable economy is critical to providing the funding necessary to improve our environment. We need to enact a policy that broadens our base of energy resources to create stability, guarantee reasonable prices, and protect America's security. It has to be a policy that will keep energy affordable. Finally, it has to be a policy that will not cripple the engines of commerce that fund the research that will yield environmental protection technologies for the future.

The legislation we are discussing today is the key element in our effort to construct a viable energy policy. It will provide a tremendous boost to our economy, protect our environment, and create hundreds of thousands of jobs. Let me say this again. Passage of this bill will provide a tremendous boost to our economy, protect our environment, and create hundreds of thousands of jobs.

There are four huge reasons that my constituents in Ohio need this bill: Ethanol, natural gas, electricity and jobs.

The fuel title in this bill will triple the use of renewable fuels over the next

decade, up to 5 billion gallons by 2012. It will also reduce our national trade deficit by more than \$34 billion, increase the U.S. gross domestic product by \$156 billion by 2012, create more than 214,000 new jobs, expand household incomes by an additional \$51.7 billion, and save taxpayers \$2 billion annually in reduced Government subsidies due to the creation of new markets for corn. In other words, we will not have to use the subsidies to farms to the tune of \$2 billion with this 5 billion gallons of ethanol.

The benefits to the farm economy are even more pronounced. Ohio is sixth in the Nation in terms of corn production and is among the highest in the Nation in putting ethanol into gas tanks. Over 40 percent of all gasoline sold in Ohio contains ethanol.

An increase in the use of ethanol across the Nation means an economic boost to thousands of farm families across my State.

Currently, ethanol production provides 192,000 jobs and \$4.5 billion to net farm income nationwide. Passage of this bill will increase net farm income by nearly \$6 billion. Passage of this bill will create \$5.3 billion of new private sector investment in renewable fuel production capacity, and expanding the use of ethanol will also protect our environment by reducing auto emissions which will mean cleaner air and improved public health.

The use of ethanol reduces emissions of carbon monoxide and hydrocarbons by 20 percent. The use of ethanol also reduces emissions of particulates by 40 percent. The use of ethanol helped move Chicago into attainment of their Federal ozone standard, the only RFG area to see such an improvement.

In 2002, ethanol use in the United States reduced greenhouse gas emissions by 4.3 million tons. That is the equivalent of removing more than 630,000 vehicles from the roads.

Simply stated, this legislation is critical to our farm economy, especially in agricultural States such as Ohio. We need to get this bill finished.

We are in the midst of a natural gas crisis in the United States. Over the last decade, use of natural gas in electricity generation has risen significantly while domestic supplies of natural gas have fallen. The result is predictable: tightening supplies of natural gas, higher natural gas prices, and higher electricity prices.

Home heating prices are up dramatically, forcing folks on low incomes to choose between heating their homes and paying for other necessities such as food or medicine.

Donald Mason, a commissioner of the Ohio Public Utilities Commission, testified earlier here in Congress:

In real terms, the home heating cost this winter will increase by at least \$220 per household. That might sound not significant, but during the winter season of 2002 to 2001, one gas company in Ohio saw residential nonpayments jump from \$10 million a year to \$26 million a year.

As a result of these heating cost increases, 50 percent more residential

customers were disconnected from gas service last year than in 2001.

I have personally seen my own natural gas costs go from \$4 an mcf to over \$8 an mcf. Projections indicate that this winter could be devastating on the elderly and low-income families who are already struggling to survive.

At a hearing last year, Thomas Mullen of Catholic Charities and Health and Human Services of Cleveland, OH, described the impact of significant increases of energy prices on those who are less fortunate.

He said:

In Cleveland, over one-fourth of all children live in poverty and are in a family of a single female head of household. These children suffer further loss of basic needs as their moms are forced to make a choice of whether to pay the rent, or live in a shelter; pay the heating bill, or see their child freeze; buy food, or risk the availability of a hunger center. These are not choices that any senior citizen, child, or for that matter, person in America should make.

Manufacturers that use natural gas as a feedstock are getting hammered due to the doubling and even tripling of their natural gas costs and are either leaving the country or closing their doors.

Lubrizol, a chemical company located in Wickliffe, OH, which was at a manufacturers' listening session that I conducted a couple of weeks ago, is moving part of its workforce to France due to the tripling of natural gas prices in Ohio.

The president of Zaclon, Inc., a chemical manufacturer based in Cleveland, testified earlier this year that increased natural gas costs have resulted in loss of sales revenues and increased total energy costs.

The president of one major international pharmaceutical company stopped by my office—a company that has 22,000 employees in the U.S.—and basically said: Unless you do something about natural gas prices, we are moving most of these jobs to Europe.

Due to the natural gas crisis, the Dow Chemical Company, which is headquartered in Michigan, will be forced to shut down several plants, and they are going to eliminate 3,000 to 4,000 jobs.

The American Iron Steel Institute reported that an integrated steel mill could pay as much as \$73 million for natural gas this year, up from \$37 million last year.

An east Texas poultry producer reported that his poultry house heating bill jumped from \$3,900 to \$12,000 in 1 month, forcing him to decide between paying the bank or the gas company.

High natural gas prices have resulted in the permanent closure of almost 20 percent of the U.S. nitrogen fertilizer production capacity and the idling of an additional 25 percent.

The Potash Corporation, one of the world's largest fertilizer producers, has announced layoffs at its Louisiana and Tennessee plants due to high natural gas prices.

The company spends \$2 million per day on natural gas.

I could go on and on and on about the natural gas prices. This bill is going to provide more opportunity to increase the supply of natural gas and help limit the exacerbating needs for natural gas in this country because of the fuel switching that is going on. The end result is a drag on our economy.

Don't take my word for it. Federal Reserve Chairman Alan Greenspan has testified before the Senate Energy Committee, the House Energy Committee, the Commerce Committee, and the Congressional Joint Economic Committee on the supply and price of natural gas. He did it this year. He stated:

I am quite surprised at how little attention the natural gas problem has been getting because it is a very serious problem.

This Energy bill includes several provisions to increase domestic production of natural gas and to ensure that we have a healthy, vital fuel mix for electric generation.

It is vitally important for us to finish this debate and pass this bill in order to relieve the pressure on our natural gas supply.

This bill helps provide money for clean coal technology and use a 250-year supply of coal. There are some people in this country who want to shut down coal and force our utilities to use more natural gas. This bill will increase the use of coal using clean coal technology and take the pressure off of energy companies fuel switching to natural gas.

Electricity is another issue for the people of Ohio. There has been a lot of conversation here on the floor over the last couple of days about the electricity title of the bill. Several of my colleagues have talked about the need to prevent blackouts such as the one we experienced in August. Let me say that as a Senator from Ohio where the blackout was triggered, I know about the need to prevent more blackouts. In fact, I held a hearing on this exact topic this morning in the Oversight of Government Management Subcommittee. The electricity title in this bill explicitly provides the Federal Energy Regulatory Commission with the authority to establish and enforce with penalties new national reliability standards that will be critical in helping to prevent future blackouts.

For my colleagues who are having a problem with this bill, I remind them that this title is so needed if we are going to prevent future blackouts.

It also provides the Federal Energy Regulatory Commission with new authority to site transmission lines, encourages utilities to invest in increased transmission capacity, and encourages utilities to invest in new clean coal technologies that will allow more electricity to be put into the grid without increasing the pollution put into the air.

At the oversight hearing that I held this morning, I asked the panel of electricity experts from the Federal Energy Regulatory Commission, the De-

partment of Energy, and the North American Electric Reliability Council what we need in order to prevent future blackouts. Their response was overwhelming: Enact the provisions in the Energy bill, especially the reliability standards.

Finally, I want to talk about jobs created by this legislation. The Energy bill saves jobs. It will create nearly 1 million new jobs. The Energy bill will prevent the loss of hundreds of thousands of jobs, like the jobs lost in the manufacturing sector in the past 3 years, in part due to high energy costs, which I have discussed, and the devastating impact it has in my State, particularly manufacturing jobs, but jobs in all sectors, including manufacturing, construction, and technology.

Where are these other jobs going to come from? Natural gas and coal, more than 400,000 direct and indirect new jobs will be created through the construction of the Alaska national gas pipeline, while at the same time bringing an affordable energy supply to the lower 48 States. America's substantial investment in clean coal technology creates 62,000 jobs and ensures Americans new electricity that is abundant, reliable, affordable, and cleaner than ever before; 40,000 new construction jobs created by the construction of approximately 27 large clean coal plants; 12,000 full time permit jobs related to plant operation; 10,000 research jobs in the fields of math, engineering, physics, and science, with an estimated annual salary of \$125,000. A lot of the research jobs will be created right in my State of Ohio.

The renewable fuel standard in the bill will create more than 214,000 new jobs and expand household income by an additional \$51.7 billion over the next decade.

Building a first of its kind nuclear reactor to cogenerate hydrogen will create 3,000 construction jobs and 500 long-term high-paying, high-tech jobs.

A nuclear production tax credit will spur the construction of approximately four light-water nuclear reactors for a total of 6,000 megawatts of clean and affordable energy. This construction will create between 8,000 and 12,000 jobs. Running the plants will create 6,000 high-paying, high-tech jobs. The Price-Anderson renewal in this bill will protect 61,800 jobs and 103 plants nationwide.

Again, renewables, incentives for geothermal energy will bring between 300 and 500 megawatts of clean and renewable geothermal energy on line over the next 3 years that will create between 750 and 1,000 direct jobs and between 7,500 and 10,000 indirect jobs.

The fact is, this is a jobs bill. It will also do something else: It will prevent the loss of jobs. Mississippi Chemical and Yazoo City, MS, filed for chapter 11 bankruptcy protection in May due to financial losses attributed to the combination of depression in the agricultural sector and extreme volatility in the domestic natural gas area. In other

words, plants are shutting down because of the high cost of natural gas. This will produce more natural gas in this country and take the heat off the rising cost of electricity in our country.

I have heard a number of my colleagues during the debate savage this bill, claiming it will devastate the environment, that it gives oil companies a free pass for MTBE contamination, and that it contains porkbarrel funding for energy companies. Unfortunately, this rhetoric is just another example of the old adage, you cannot let the facts get in the way of good judgment or a good argument. I will address a few of those most outrageous claims we have heard.

The first complaint raised by many of my friends is that the bill is bad for the environment. What are the facts? Here are the environmental benefits to this bill. By promoting greater efficiency and cleaner energy technology, the Energy bill will improve air quality, reduce greenhouse gasses, protect our natural resources, and provide a cleaner, healthier environment for the American people. The Energy bill will reduce environmental impacts by improving energy efficiency, conserving energy, and improving air quality to renew energy efficiency standards for energy-efficient products such as consumer electronics and commercial appliances.

It will provide tax incentives for energy-efficient appliances, hybrid and fuel cell vehicles, and combine heat and power products. It will authorize \$1.2 billion over the next 3 years for weatherization assistance programs to help low-income families to make their homes more energy efficient and permanently reduce their energy bills. And it will increase dramatically the LIHEAP money that we will need during the next couple of years for the poor and the elderly so that they are not literally out in the cold.

It expands the use of renewable energy, requiring the Federal Government to purchase up to 5 percent of its electricity from renewable sources and encouraging the installation of solar panels on public buildings. It increases production of renewable energy resources, such as geothermal on Federal and tribal lands. It provides tax incentives for production of electricity from renewable energy such as wind, solar, biomass, and landfill.

Under this bill, the tax credits include \$5.6 billion of tax incentives for thermal and for solar energy. We are going to see, as many of my colleagues have asked for the last couple of years, a lot more windmills and a lot more solar panels built as a result of this legislation.

It reduces the use of oil for transportation. It authorizes over \$2.1 billion for the President's Freedom Car and hydrogen fuel initiatives to help reduce the use of oil for transportation needs. This is a big issue in this piece of legislation. I have heard some of my colleagues say it will not do anything to

reduce their reliance on oil. I have already talked about the contribution of reducing reliance on oil in terms of renewable fuels such as ethanol, but what it also does is invests substantial money in fuel cells that need to be moved along in this country.

As a Senator and as cochairman of the auto caucus, I have been in automobiles powered by hydrogen and that use fuel cells. This bill will start us on the way to a situation where my children, and for sure my grandchildren, will not be using oil to power their motor vehicles. We have to get on with it and get serious.

It creates new markets for renewable fuels for transportation such as ethanol and biodiesel to reduce the dependence on foreign oil. Expanding use of cleaner energy technologies is another issue in this bill, and modernizing our electricity grid with policies that promote the use of efficient distribution generation combined with heat and power and renewable energy technology. It authorizes a 10-year clean coal power initiative to enable the use of plentiful domestic coal resources with fewer environmental impacts.

It also improves the hydroelectric relicensing process to help maintain this nonemitting source of energy while preserving environmental goals.

The second complaint we have heard about is it contains provisions that give MTBE a free pass from any liability. Now, what are the facts? First of all, Congress has considered liability protections in a variety of settings, including medical care and educational institutions. This provision recognizes that when Congress mandates the use of fuel components and when those components have been studied and approved by the EPA, it is reasonable to disallow a case where the mere presence of a removable system fuel makes it a defective product. The safe harbor provision is intended to offer some protection to refiners that have been required to use oxygenated fuels under the Clean Air Act. They are being required to do it. We told them to do it. The safe harbor provision will not affect cleanup costs; it will not affect claims based on the wrongful release of renewable fuel into the environment such as a spill.

The suggestion is with the spills that are going on, we will not be able to sue those people responsible. Anyone harmed by a wrongful release would retain all rights under current law and would be able to recover cleanup costs just as they do now. Those responsible for releasing oxygenated fuels will be responsible for cleaning them up.

Federal and State environmental statutes such as underground storage tank laws will still apply if gasoline is released and gets into a well or contaminates a drinking water supply.

Critics have charged that this bill will throw all MTBE lawsuits out of court. They could not be more wrong. The safe harbor only applies to product

liability claims and does not affect any claims that have been filed prior to September 5, 2003. In fact, at a hearing that I chaired on this topic in March of this year, we spent a significant amount of time discussing current litigation going on in Santa Monica, CA. The facts in this case are pretty clear. MTBE has contaminated the city's water, and the city has had to undergo costly remediation to clean up the contamination.

In that litigation it is worth noting that the oil companies have paid millions and millions of dollars for the cost of remediation and to bring in uncontaminated water to that community. I understand Santa Monica litigation is moving forward. Most importantly, this legislation will not change any aspect of that case. It will not cause any claims to be kicked out and will most certainly not cause the case to be dismissed.

Let me state this again: The safe harbor does not apply in cases such as this. It does not let the oil companies off the hook. It does not throw any litigation out of court. And it does not give anyone a free pass.

Now, a number of my colleagues have come to the floor during this debate and announced they will vote no on this bill because this safe harbor provision is contained in the fuels title. These Members are announcing they oppose the ethanol package purely for this reason. Cynically, I would like to say that, in my opinion, such an announcement is a statement that some of these Members have picked trial lawyers over farmers.

The third complaint that critics of this bill have lodged against it is that it contains unreasonable handouts for big energy and oil companies. What were the facts?

The authorizations and tax incentives contained in the bill are geared to promote the kinds of energy that our friends across the aisle and on this side of the aisle are calling for.

The bill includes incentives for renewable energy—\$5.6 billion worth—such as wind energy, solar energy, and the use of biomass. As I mentioned, over 26 percent of all the tax incentives in this bill go to renewable energy.

The bill includes incentives for clean-burning natural gas production.

The bill includes incentives for clean coal technologies. These are the technologies that will allow utilities to continue to use coal without continuing to emit pollution into the air.

The bill includes incentives for increased energy efficiency and conservation.

I would like to read a letter that was sent to Senator DOMENICI. It is from the American Wind Energy Association, the Geothermal Energy Association, the National Hydropower Association, and the Solar Industries Association:

Dear Senator, on behalf of the leading renewable energy trade associations, we are writing to urge your support for passage of

H.R. 6. H.R. 6 contains several important provisions vital to the future of our industries. Its passage will help expand renewable energy production and spur job growth in the United States in the immediate future. We ask that you support the bill and vote in favor of any cloture motion filed on the conference report.

What is the downside of promoting clean-burning and renewable energy? Aren't these the same things that many have been attacking us for not including in the bill? This criticism is one more example of overheated rhetoric that, frankly, does not stand up to scrutiny.

If we do not pass this legislation, we will continue to see the hemorrhaging of jobs in America, especially in States such as mine, and we will lose all of the potential jobs that I have just outlined.

This is the largest jobs bill we have seen on the Senate floor in decades. It is my hope and expectation that the Senate will pass it. These issues have been in front of us for far too long—far too long.

Last year, when this was brought up, I spent 6 weeks on the floor of the Senate debating the Energy bill. We finally passed it in the Senate, and it died.

This year, we started out for 2 or 3 weeks and finally were able to enter into a compromise with the other side of the aisle and pass the bill that we passed last year so it could go into conference.

We have worked very hard on this piece of legislation. It is not perfect. There are people who have problems with it. But, overall, it is a very good piece of legislation. The result of not passing it—God only knows what would happen.

For example, this morning, when I had the hearing with the folks who are trying to do something about the blackout problem in this country, they indicated the only salvation for them is this Energy bill. They said: Please pass it, we need it now.

If we do not pass it now, then when are we going to get to mandatory renewable standards, with penalties, and get on with making sure we do not have more blackouts in the United States of America?

As I said, these issues have been in front of us for too long. Now that we are so close to the finish line, I ask my colleagues to vote for cloture on this bill, prevent a filibuster that will hurt our economy, cost us jobs, and hurt our environment. Most importantly—most importantly—we have never had an energy policy in this country. It is long overdue. It is long overdue. We need to move on with this for the future of our economy, for our environment, and for our national security.

Mr. President, I suggest the absence of a quorum.

Mr. SCHUMER addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. SCHUMER. Thank you, Mr. President.

Mr. President, I appreciate that this debate is now coming to a close, and we

will, evidently, vote on cloture tomorrow morning at about 10:30. It has been a long debate. It has been a good debate. I think it has been an elucidating debate. I think the longer we debate this bill, the more unfavorably it is looked upon by the American people.

I would like to make one general comment about the process before getting into the substance of the bill. I have tremendous respect for my friend from New Mexico, Senator DOMENICI. He is a fine man. We have worked together on legislation. I think he works hard. I think he is dedicated.

I have a very fond relationship with my former colleague from the House of Representatives, Congressman TAUZIN, head of the House Energy Committee. We came into the Congress together in 1980.

But no matter who it is, you cannot negotiate a bill with only two people in the room. Our ranking member from New Mexico, Senator BINGAMAN, was excluded. The Democratic side in the House was excluded. But it was not just the Democrats who were excluded; too, too many of the Members were excluded.

Why is it that those of us in the Northeast, Democrats and Republicans, think this bill is so bad for our region and our communities? Well, maybe it is because when you have a Senator from New Mexico and a Congressman from Louisiana negotiating the whole bill, there is not enough input from other parts of the country.

The beauty of the system that the Founding Fathers created—and that we have carried forward in our own fashion 215 years later—is that it understood those things, and it understood that we should not have a major bill negotiated by two people behind closed doors.

The fact that this bill is teetering on the edge of survival right now, I think, in part, is because of the process by which it was constructed. I hope we will not do it again.

If we should win our vote tomorrow, those of us who are arguing against cloture, I hope that the lesson will be learned. I hope we will have real debate and real conference committees.

I also hope that, even here, we do not make the same mistake of passing last year's bill and then just saying, "Let it go to conference," which was a mistake, I think, made on our side as well.

The process works. It is long and slow and laborious, but it works.

Again, a bill that has so many goodies for so many people—that such a bill should be teetering on the edge of extinction, I think shows we ought to go back to the process, the open process, the process that has Members of various parts of the country represented, the process of debate and refinement, because that ends up making better legislation.

Now, I have a whole lot to say about this bill, but the hour is late. So I will just put my comments into two categories: one, what the bill contains;

and, two, what the bill does not contain—neither of which makes me happy.

What the bill contains: There are some good provisions in this bill. I am not going to get up here and do a diatribe against these little narrow things that are there for everybody. There are a few in there for my State, too. I think those sometimes are the grease that makes good legislation move forward, but alone they are not enough to carry a bill, alone they are not enough to justify a bill.

Some of the bad things contained in this bill, as well as some of the things that are so missing from this bill, make a complete case against the bill.

To me, the two things that are in the bill that should not be, more than anything else, are the ethanol provisions and the MTBE provisions.

On the ethanol provisions, I would say this to my colleagues: We do have to find a substitute for MTBE. We do have to keep our air clean. And ethanol is a good way to do it. I am not against ethanol per se. What I am against is mandating ethanol for every region in the country whether it fits or not. Ethanol would be a good standard to meet the oxygenate requirements in areas where there is abundant corn and abundant ethanol manufacturing facilities. But in many regions of the country, particularly on the coasts, there is not. And there are better ways to meet the clean air standards.

Refiners in my area say that by changing the blend and changing the method of refining, they can do just that without ethanol. And they will do that to meet the oxygenate clean air standards. But this bill has the nerve—that is the only way you can put it—to require them to buy ethanol anyway or at least buy ethanol credits. I have never quite seen anything like it.

Ethanol is a very subsidized product with many different types of advantages. Corn growers get all sorts of subsidies. I am not against those subsidies. I think we need to have a farming community. And just as we need dairy farmers in New York, we need corn growers in the Midwest and other places. But I wouldn't dare require people in the Midwest to buy some kind of dairy product made in New York for some other purpose. I might subsidize the product and say: Go out in the free market and make it work. But I wouldn't force them to do it. This goes a step beyond anything we have ever done in this Chamber.

If we wanted to help the corn growers and we are not helping them enough through the Agriculture bill, then let the Government do it. But the ethanol bill says to the traveling salesmen in upstate New York: You are going to do it. It will raise the price of gasoline 4 to 10 cents a gallon in my area.

How can anyone in this Chamber ask those of us from the Northeast and the West to impose that kind of gas tax on our constituents? It is just unfair. It is just wrong. I, for one, resent it. Again,

if you want to subsidize the corn growers, do it. But not in this inefficient, unfair, regionally slanted way. Therefore, I very much oppose the ethanol provision.

My folks can't afford another 4 to 10 cents a gallon, likely to be 7 or 8 cents a gallon. Gasoline is high enough. We should be doing things to lower the price of gasoline. In that one fell swoop, all the good in terms of trying to produce alternative fuels will be undone.

Probably even worse in terms of its egregiousness, in terms of its arrogance, in terms of its nerve, its gall, is the MTBE provision. Parenthetically, I say to my friend from Ohio who said it doesn't stop lawsuits, it certainly does. It doesn't stop lawsuits if the little gas station on the corner was negligent. But if you have lost your home to MTBEs, you are not going to get anything out of that little gas station.

We know the only way that homeowners are going to get recompense here. It is through the oil companies, the producers of MTBEs. And those suits are prohibited.

So it is small comfort to the thousands of citizens in Fort Montgomery or in Hyde Park or in Plainview, NY, different communities in different parts of our State who have lost use of water in their home.

This is not just some environmental fetish. I have visited these homes. I feel for these people. Every time your child wants a bath or shower, you have to get in the car and drive a mile. You must use bottled water. For most of the people I know—these are middle class people, not rich people—the value of their home has been it. All they have been able to do is save for their home, and it is gone.

Now you say: Well, we are just going after the oil companies because they have deep pockets. Bunk. The bottom line is, the oil companies knew, the producers knew this was harmful. And here is the rub: They didn't tell a soul. It is not simply that they didn't produce it, but they didn't tell a soul. When they sold the gasoline with MTBE to the gas station down the street, they didn't say: Be careful. They didn't say: If you sit on top of an aquifer or a well, maybe you shouldn't use it. They didn't say: Make sure your tanks don't have leaks because this is dangerous stuff if it leaks into the water. They didn't say any of that.

Had the oil companies, the MTBE producers, come clean and let people know that this might be harmful and that they ought to take remediation the minute there is a spill and deal with prevention so there wouldn't be spills, we would not be asking that they be sued.

The analogy is to the cigarette industry in the sense not that the product was harmful, not even that people might have known it was harmful—that is probably true in each case—but, rather, that it was kept secret. It was

concealed. People didn't have the ability, the choice, to prevent the harm from occurring.

The suits have been successful. My friend from Ohio just mentioned the suit in Santa Monica. Hundreds and hundreds of suits like that will be stopped if we pass this legislation.

I wish every one of my colleagues had come with me to Fort Montgomery, a little community in the hills overlooking the Hudson, a few miles south of West Point. The people there are mostly retired soldiers, not generals, rather, they are captains and majors and sergeants. It is a modest community. They worked hard for their country and they served their country. All they have is these little homes. And look at their faces. They all gathered one fall afternoon on someone's front lawn and talked to me. They are lovely people. They said: We don't want any money; we are not suing for money.

This isn't one of these lawsuits where they say, "Give us millions of dollars," and claim some alleged damage. I don't like those lawsuits. In fact, right now we are trying to put together a class action bill that would make the lawsuits fairer. But the lawsuits were their recourse. The oil companies were beginning to negotiate with them, either to put filters on their water or to help build a new system.

If this bill passes, these people will have two terrible choices: Sell their home at maybe the half the value it was a few years back before MTBE leached into their water supply, or spend thousands and thousands and thousands of dollars each year, each taxpayer, to build a whole water system.

Who is more to blame? The company that produced the MTBE and didn't tell people it was harmful, although they knew it, or these majors and sergeants and captains who served their country for years and have lost just about everything they have had?

That story can be repeated in many parts of New York and many parts of California and many parts of New Hampshire and many parts of Iowa and many parts of America. We should not allow it to happen.

As I said, I am not the leading advocate on our side of the aisle of lawsuits as a solution to everything. I would much rather see government regulation than lawsuits. But if there was ever a situation where lawsuits are justified, it is here.

What is infuriating is we are giving the MTBE industry \$2 billion for closing. My friend talked about the money for LIHEAP. It is good that it is in the bill, but it is an authorization. Every time we do the appropriations bill, we don't come close to the authorization level. That is not real money. Put that \$2 billion into LIHEAP, real money. But here we are, instead, giving it to the MTBE producers for closing down.

Do we give money to the little dry-cleaner shop that has to close down even though the blood and sweat and

tears of the person who ran it are real? Do we give money to other businesses that have closed down, the thousands in my State, because maybe our country has not done enough to defend them from unfair trade practices? No. But not only do we give this industry \$2 billion as recompense for closing down, but then we protect them from liability. This bill chooses those companies over tens of thousands of innocent homeowners. It is an egregious decision, and it shall not pass—if we have anything to do with it.

Those two provisions are at the top of my list as the most egregious in the bill. I will tell you what bothers me just about as much. It is not just what is in the bill, it is what is not in the bill. As everybody who has come to the floor to speak has said, we need an energy policy in America. This bill is a hodgepodge of little things, without much of an energy policy. It is a stitching together of a coalition of individual ideas. I like the tax deductions for the renewables. The reliability provisions don't go far enough, as far as I am concerned, but at least there is a step forward there. But there is no real energy policy.

Mr. President, 9/11 showed us many things, and one thing it showed us is that we have to be independent of Middle Eastern oil. The best and quickest way to do that is by some measure of conservation, and it is MIA in this bill. When China can pass CAFE standards more significant, more stringent than our own, this country is headed for a fall. If we cannot tighten our belts now, before there is a crisis, then something is wrong with the way our country is governing itself. Yet there is virtually nothing in terms of oil independence and conservation. Even the rather modest provisions that the Senator from Louisiana put in the Senate bill are gone. Again, on issue after issue, that occurred—issue after issue after issue.

There is no real conservation measures, at a time when we cry out. If you ask experts what is most needed in terms of our energy policy, it is conservation. We can increase production, and we can try to do experiments with coal or nuclear or hydrogen or whatever you want, but those are 10, 15 years down the road. We can talk about the timetables. I disagree with my friend from Ohio on that. The quickest way to do it is by conservation. We are not doing it.

Then we have the blackout in the Northeast. It cried out for a national grid to make our electricity system like our highway system, where the Government has direct and fairly strict oversight of the means of transportation—in one case of cars, and in another of electricity. And we do the most modest of steps—after we got a huge warning.

The report yesterday showed how little oversight there is, how little coordination there is. One energy company in Ohio and one voluntary organization in

part of Ohio dropped the ball. My view is simple. This ought to all be done not by the electricity companies, which have a dramatic interest against spending the money to make the transmission wires work because that is not where they want to make money. It is not a cost that brings them a big rate of return. We should turn that over to FERC and let them set the standards and require the companies to meet it.

This bill doesn't come close to that. Once again, a shot across the bow, so close to us, and we do virtually nothing. The special interests—the Southeast doesn't want to be part of a national grid. Fine. They don't want to give up any rights or be governed by rules that might be good for the common good. Fine. The grid provisions here, better than much of the bill, leave so much to be desired and are emblematic of this bill. The special interests say jump and the bill says, How high? No energy policy. And the same with the problems we have had with deregulation and the sale of electricity out in California and in the West. I am not an expert on that, but my colleagues from California and Washington State have talked about that. We are MIA.

So instead of a coherent energy policy, which the times cry out for, we have a mishmash of goodies, of nods in the direction of the best parts of the bill, and away from some very bad things that hurt many parts of our country.

It is no wonder, Mr. President, that editorial pages across the country have condemned this bill in a way we have not seen in a long time. There is virtually no division. Frankly, I have not seen one article, one editorial—I have probably missed it—that defends this bill. The New York Times—probably the leading liberal editorial page—and the Wall Street Journal—the leading conservative editorial page—I think on the same day said, "Don't vote for this bill." And they are joined by about everybody in between. That is not just the media ranting and raving and not understanding the realities, or being too much in their ivory tower, or on their high horse, which I will be the first to admit happens all the time. That is because there is something wrong with this bill.

So it is my view that we are better off going back to the drawing board, open up the process, include the ranking member from New Mexico of the committee, and include the members of the committee, debate the bill even if it takes a few weeks. I guarantee you that we will get a much better bill.

This bill is an overall negative for what it contains and for what it doesn't. We can and must do a lot better. If we defeat cloture tomorrow, we will.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### REGARDING SOUTH AFRICA'S NEW HIV/AIDS POLICY

Mr. DASCHLE. Mr. President, I rise to express my strong support for a decision taken over the last several days in South Africa.

On Wednesday, South Africa's cabinet approved a plan for government-sponsored HIV/AIDS treatment programs. Though late in coming, the decision had to be received as good news by South Africa's five million people infected with HIV. In a country where 600 people a day die of complications from AIDS, this is a life-saving announcement.

Many of us feared we might not ever see this day. In August 2002, I sat with President Mbeki in Pretoria. His response to the AIDS crisis in his country was disheartening, even disconcerting. But he and his government have come a long way.

We must be sure that we do our part now, Mr. President. I gather that the Foreign Operations and Labor-HHS conferences have agreed to provide \$2.4 billion in global AIDS funding for FY 04. That is welcome and positive news. But it is still less than we promised the world, and given that 16,000 people a day contract this deadly virus we cannot afford to break that promise again next year.

We will also have to take a look at the assumptions that are underlying our current AIDS policy. The President laid out an ambitious emergency AIDS program for the 14 countries hit hardest by this virus. With a robust prevention and treatment program coupled with aggressive recruitment, training and retention of qualified medical personnel, we will make a difference in those countries.

But this pandemic is moving. While we act aggressively in these 14 countries, we cannot afford to maintain just the status quo in the countries who are threatened with the next wave of this crisis. Recent studies in India suggest that the epidemic in that one country could match if not overwhelm the suffering we have already seen in Africa. In China, government mismanagement and poverty are contributing to an acceleration of the pandemic, and eastern Europe and Russia are seeing alarming rates of infection that threaten to overwhelm the weak health care infrastructures in those tenuous democracies.

This is a huge challenge. We have begun to take some important steps to address it, but we are a long way from done.

#### TRIBUTE TO UNIVERSITY OF LOUISVILLE ATHLETIC DIRECTOR TOM JURICH

Mr. MCCONNELL. Mr. President, November 5, 2003, brought many reasons for celebration in Kentucky. First, my friend, Ernie Fletcher was celebrating his victory in the gubernatorial election, making him the first Republican to hold that office in 32 years. The same day, the University of Louisville, my alma mater, was celebrating its acceptance into the Big East Conference. On that day, my local paper, The Courier-Journal, highlighted both of these achievements on the front page—a great day to be a Republican and a Cardinal.

The man who orchestrated U of L's rise to the Big East is my friend, Tom Jurich, the university's athletic director. Since his arrival in 1997, Tom has worked diligently to improve Louisville's athletic department. In recent years, he has hired two outstanding coaches, football coach Bobby Petrino and basketball coach Rick Pitino. He also has secured U of L's place as one of the top athletic programs in the country. Tom's hard work and dedication should be commended.

I close by quoting Tom from the November 5, 2003 edition of The Courier-Journal. He said:

It's a wonderful day to be a U of L fan. And it's a wonderful day to be a Cardinal student-athlete. But it's a hell of a great day to be the athletic director at the University of Louisville. This has been a six-year work in progress. This puts us on a level playing field.

This U of L alum is one happy fan, and I thank my friend for all he has done for the University of Louisville Athletic Department. I ask unanimous consent that the following article from The Courier-Journal be printed in the CONGRESSIONAL RECORD to document this historic day: "Under Tom Jurich, Louisville's star has risen in the East."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Courier-Journal, Nov. 5, 2003]

UNDER TOM JURICH, LOUISVILLE'S STAR HAS RISEN IN THE EAST

(By Pat Forde)

At 10 o'clock yesterday morning, a wrinkled Big East Conference banner was stretched across a table in Kenny Klein's office at the University of Louisville.

The worst-kept secret in college athletics was literally—and finally—on the table. Welcome to a banner day on Planet Red.

Klein, the associate athletic director for media relations, is in his 21st year at U of L. He has been a loyal soldier through the glory and the gory—from an NCAA championship to NCAA probation, from the Fiesta Bowl to 1-10. He ranks yesterday among his very proudest days on the job.

"For the whole, encompassing factor of the athletic department and university, it's as big as anything we've done," Klein said.

"We're poised to make an absolute leap, I think.

"It's really neat because you work so hard to build something, a total department, and to see it come to fruition is just a great feeling. Until now you've had that little stigma, even though we knew we can compete. The stigma's gone."

After six years of unwavering effort by athletic director Tom Jurich, the stigma is gone. After some of the most skillful, steely and inspired personnel moves in recent college sports history reinvigorated football and men's basketball, the stigma is gone. After a committed campaign to improve U of L's shady NCAA-compliance image, low-budget facilities and neglected non-revenue sports, the stigma is gone.

The news that U of L will leave Conference USA in 2005 (at the latest) for the Big East did not pack the focused emotional wallop of beating UCLA in Indianapolis in 1980, Kentucky in Knoxville in '83, Duke in Dallas in '86 or Alabama in Tempe in '91. But those were ephemeral moments, followed (eventually) by hard times. This victory could have a permanent effect on exposure, recruiting, finances and winning—if the Bowl Championship Series situation works itself out.

That's a significant "if," but Jurich expressed confidence that the new Big East won't lose its place at the big table. And if there is one thing Cards fans have learned to do, it's to trust Jurich's vision.

"He really had to change the culture for six years to make this happen," said senior associate athletic director Julie Hermann. "This is a benchmark, a defining moment."

The defining moments keep piling up for Jurich. The man who hired John L. Smith, Rick Pitino and Bobby Petrino now has brought the entire athletic department up to a level it has strived to reach forever.

Jurich took over on Oct. 21, 1997. Yesterday he jokingly said his first call to Big East headquarters came the following day. In reality he took a few months getting a grip on the U of L program, then put in a call to see where the Cardinals stood.

"It fell on deaf ears," he said.

There is a cure for deafness: persistence, a plan and the power of Pitino.

"We just kept at it and kept at it," Jurich said. "And when we got Rick, I think the possibilities became a lot clearer."

The possibilities could become crystal-clear probabilities by 2005. Pitino is pointing for a Final Four-level season in 2004-05 and could move the Cards immediately to the top of a 16-team Big East megaheap. Football coach Bobby Petrino will be in his third year, with a number of today's young talents in starring roles. If the non-revenue sports step up—most notably women's basketball—U of L could enter the Big East on a serious roll.

The trajectory of Louisville's climb grew steeper in recent years, but the gradual ascent began decades before. This is a school that once was a member of the Ohio Valley Conference, just another regional athletic program in a state owned by Big Blue. This is a school that once gave away football tickets with a tank of gas at convenience stores, a school that once had non-revenue facilities that would embarrass some high schools.

"It's been a slow progression, but this is a great day for the athletic department," U of L trustee and 1970s basketball hero Junior Bridgeman said. "It's not a culmination, just the next step. But it's a great time, and everyone should share in the joy."

Said Charlie Tyra, a basketball star from the 1950s: "This is another step in the direction they want to get. Hopefully, this is the big step."

It's big enough to say that Louisville is now officially Big. Big enough for the Big